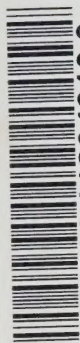


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ARGUMENT  
&  
REBUTTAL

[The Worker.]

E. BEAUREGARD, K. C.




351745  
14.6.38.





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PROCEEDINGS OF THE COMMISSION

PAGE IN PAGE IN BALLANTYNE KELLOCK'S  
BRIEF ARGUMENT ARGUMENT REBUTTAL

S U B J E C T

1	14926-7	Notice of closing is posted up in Sherbrooke Mill of Dominion Textile Co.
	14927	The absence of industrial relations between employer and employees is evidenced by the conciseness of the notice of closing
1	14928	450 persons were suddenly thrown out of employment
1	14928	Apparently this closing of the Sherbrooke mill was a protest against the newly signed agreement between Canada and Japan
1	14928	The Order in Council recites that the closing of mills in time of unemployment in the winter season can but add to the burden of municipalities and governments
2	14928	The Order in Council further states that such a highly protected industry should not close down so arbitrarily without regard to its obligations
2	14929	The Government wishes to be informed fully with respect to: the operations and conduct of the industry concerned and of inter-related and allied industries so as to determine the responsibility of the employer to take appropriate action not only with regard to safeguarding the interests of the public but also of the industry itself
2	14929	The subject matter, scope and depth of the inquiry are indicated very clearly in the Order in Council
	14930	The point is to find out if the employer, due to his financial position, his reserve can subsist and assure the subsistence of the worker
3	14930	The inquiry is limited in its objective but the scope and depth thereof are unrestricted
3	14930	The primary and secondary industries owing to their greatly divergent interests form two distinct sections





- 3 14930 although there is similarity as to the processing of cotton, silk and wool, each section must be examined individually
- 3 14931 The object of present brief is the labour question in the primary industry
- 4 14931 In order to gather the abundant evidence on record the Commission has visited plants, conducted investigations, submitted questionnaires to firms, studied the operations of the industry and received submissions from labour organizations
- 4 14931 234 workers were heard during the public sittings of which 179 were men and 55 women





THE PARTIES AT ISSUE

PAGE IN PAGE IN BALLANTYNE'S KELLOCK'S  
BRIEF ARGUMENT ARGUMENT REBUTTAL

S U B J E C T

<u>6</u>	14932			The worker and the employer are the two protagonists at issue on the labour question
6	14932			The worker must be considered in respect to his mentality, his reactions towards his salary, his work, etc.
6	14932			The employer is to be examined as regards his objective, his responsibility to the state, etc.
	14933			Mr. Beauregard states that in the textile problem regard must be had first for the human being
	14933			Mr. Beauregard believes that study of the worker is necessary to get a clear understanding of his position





## THE WORKER

### THE WORKER AND ECONOMIC LIFE

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>PALLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK</u> <u>REBUTTAL</u>	<u>S U B J E C T</u>
7	14933	18142		The importance and the leading role of the worker in the economic life of the country is never denied but just forgotten at times
7	14934			Owing to their number and occupation, the farmer and the worker are the very foundation of the country's economic life
7	14934			Canada seems to have attained this stage in her development where she can no longer neglect with impunity the stability of the worker as producer and his purchasing power as consumer
7	14934		16318	Industry to-day must provide for the livelihood and the welfare of the worker in the same measure as it tends to ensure the subsistence of capital





MONTREAL COTTONS

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BALLANTYNE</u>	<u>KILLICK'S</u>	
<u>BRIEF</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>REBUTTAL</u>	<u>S U B J E C T</u>
5-6	14936			Montreal Cottons claim they are paying their full share of municipal taxes
	14937			In the City of Valleyfield, Montreal Cottons paid practically no taxes between 1878 and 1891
	14937			Through perpetual commutations of taxes the situation is such that the City of Valleyfield is dependent upon the Company
	14938			Ex. 293 shows that the assessment fixed by the City at \$6,980,300 was reduced by Court order to \$3,765,917
	14938			Ex. 297 shows that Mr. Aird first requested that the assessment be fixed at \$2,400,000 and a little later asked for \$2,800,000
	14939			In a letter from Mr. Gordon it is indicated that if the company can find a cheaper market elsewhere it will not hesitate in transferring from one plant to another
	14940			The amount of taxes paid by Montreal Cottons from 1878 to 1891, was in all \$1500
	14940			Mr. Beauregard quotes extracts from the Minutes of the City of Valleyfield, dated November 19, 1890 (Ev. p. 5021)
	14941			
	14941			At that time the City was requested by the Company to grant a tax commutation
	14941			The report of the Montreal Cottons, dated February 10, 1891, states that the past year has been eminently satisfactory
	14942			Witness Gurnham, Sec. of the Company reported the newly installed machinery was a great factor in producing finer merchandise and is more economical as regards wages
	14942			In 1891 the Company succeeded in obtaining a reduction from \$6,150 to \$900 in assessment





Montreal Cottons - 3

- 14942 The same prevailed from 1891 to 1898
- 14943 In 1899 in a new commutation of taxes the amount payable by the Company was reduced from \$12,760 to \$5,000
- 14943 This rate of \$5,000 a year held good until 1909
- 14943 From 1910 up to this year the Company was successful in obtaining a considerable reduction in taxes payable
- 14944 Mr. Beauregard considers that the City has given the Company \$900,000 and does not own one single share of the Company's stock





PAST AND FUTURE OF THE WORKER

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BALLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK'S</u> <u>REBUTTAL</u>	<u>S U B J E C T</u>
8	14934	18143		The textile worker has no trade of his own and is nothing but a specialized plant worker
8	14935			As the textile industry tends to become a large-scale industry, the factory is the only source of employment for a textile worker
8	14935	18147		The highest peak a worker can attain is becoming a 'loom fixer' and necessarily the number of these worker is restricted
9	14935	18143		Usually when the worker has reached the forties he is laid-off on account of fatigue, or illness and this means the end of his employment
	14936			The tendency to-day is to replace superior employees by inferior ones
	14936			Primary Textiles Institute in their brief, page 3, Section A, state 'the industry employs a great number of persons between the time they leave school and their marriage'.
10	14944			Textile workers are recruited everywhere, in towns or villages
10 11	14945			On cessation of work the employees are unable to return from whence they came and are a burden to the municipalities where they reside





THE TEXTILE ORDER AND TARIFF PROTECTION

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BAILLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK'S</u> <u>REBUTTAL</u>	<u>S U B J E C T</u>
12	14945			A high tariff is meant to protect the local industry and indirectly imposes a tax on the consumers, which includes the workers
12	14946			High protection is asked for and granted in the interests of the worker and has no justification except that of providing employment
12	14946	18152		Labour is about the only native element in the textile industry
15	14946			After enjoying years of high protection in time of depression the prosperous corporations saw fit to close some of their plants apparently forgetting the why and wherefore of their establishment and expansion in Canada.





THE WORKER AND WAGES

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BALLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK'S</u> <u>REFUTAL</u>	<u>S</u> <u>U</u> <u>B</u> <u>J</u> <u>E</u> <u>C</u> <u>T</u>
14	14947			The workers has heard a lot being said about wages but does not realize that 'his' wages are the topic
14	14947			When a worker speaks of wages, he means the tangible contents of his envelope
14	947			Workers base their calculations of their salary on their highest week-pays
15	14948			Oftentimes more work and more fatigue means less pay
15	14948			The workers are unable to compute their wages and even some foremen admit not knowing how to calculate wages
14	14948			The majority of the workers have been employed for ten or twelve years and have earned their highest wages in the days of prosperity
16	14949			Statistics base their rate of wages on the number of hours of work registered while the worker may actually have done 11, 12 and 13 hours daily





WORK, TASK, PRODUCTION

PAGE IN   PAGE IN   HALIANTYNE   KEL. OCK'S  
BRIEF   ARGUMENT   ARGUMENT   REBUTTAL

S   U   B   J   E   C   T

17      14949

The growing tendency is to pay wages on a piece work basis which accelerates the productivity of labour

17      14949      18153

During the past few years the productivity per worker has increased greatly but the wages have not increased correspondingly

17      14950

The employer credits the increased output to 2 factors: perfected automatic machinery and the organization of the work

18      14960

Although the worker's production is larger, it is done without any added effort because the new machinery works better and faster

18      14950

The worker has become a specialist while the secondary and easy tasks have been entrusted to a larger number of helpers

18      14950

In some cases the number of machines per worker has been doubled and tripled, he works more produces more and earns less

18      14950

Due to the new machinery and distribution of work the worker has lost the incentive he had while doing piece work



## WORKER and MACHINE

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BALLANTYNE</u> <u>ARGUMENT</u>	<u>HELLOCK'S</u> <u>REBUTTAL</u>
--------------------------------	-----------------------------------	--------------------------------------	-------------------------------------

S U B J E C T

21	14952	The worker's picture of capital is the employer, but his grievances are confined to the local management and do not reach the head of the firm
----	-------	--

## LABOUR and CAPITAL

21	14952	The worker recognizes that capital is a necessary element in the system of trade and that capital is entitled to a fair return
----	-------	--

21	14952	The worker believes that he as much as the capital is entitled to a return providing him with decent living and security for the future
----	-------	---

## LABOUR and HYGIENE

23	14959	Many laws of hygiene are deliberately disregarded by the workers at home and in their estimation this consideration comes far behind wages
----	-------	--

## LABOUR and GOVERNMENT

24	14960	The worker feels that the struggle is unequal and expects from the Government some regulative control over industry and a certain guardianship of the worker
----	-------	--





WOMEN IN INDUSTRY

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BALLANTYNE</u>	<u>KILLOCK'S</u>
<u>BRIEF</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>REBUTTAL</u>

S U B J E C T

25	14940	16327	The percentage of women in the industry is nearly as large as that of men and is still increasing
25	14960	16330	The position of female workers adds to the complication of the labour problem
25	14961	16331	The workers are not hostile to the women in the industry but they deplore the competition made by young girls to the middle-aged worker





WORKER'S MENTALITY AND TREATMENT

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BALANTYNE</u>	<u>KELLOCK'S</u>	
<u>BRIEF</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>REFUTAL</u>	<u>S U B J E C T</u>
26	14961		The worker's chief interest is the matter of wages to insure his livelihood and the welfare of his family	
23	14961		The worker complains much more about unemployment and short weeks than he does about over-time	
26	14962		The worker readily understands all things pertaining to his work but he seems to resent the fact that he does not understand his piece-work wages	
26	14962		Mechanization worries him insofar as it displaces workers, but he readily adapts himself to the machine	
27	14962		Injustice disgusts him and he insists on wrongs being redressed	
27	14962-3		The worker carried on through the recent economic crisis with the aid of the State and looks to it for protection of the labour union	
27	14963		The workers are now organizing into unions upon which they look as means of a safeguarding their interests rather than forcing them	



THE EMPLOYER

HIS RES. OMBIBILITY WITHIN THE STATE

<u>PAGE IN</u> <u>REPLY</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BALLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK'S</u> <u>REBUTTAL</u>	<u>S</u> <u>U</u> <u>B</u> <u>J</u> <u>E</u> <u>C</u> <u>T</u>
28	14963			As stated by a prominent leader of the industry, its success rests on good management and tariff protection
28	14963			The employer expects much from legislation and sometimes vehemently expresses his discontent as in the case of the Sherbrooke plant closing
28	14964	18181		The employer is twice powerful, his industry is well organized and controls large physical and liquid assets while at the same time he is leader in the banking and financial world
29	14964			Employers are vitally concerned with social order and the prosperity of the masses as holders of a large share of private and tangible property and as custodians and trustees of the investments of a large number of their shareholders
29	14965			The employers share with the State the responsibility of giving employment to and providing an honest livelihood for the number of workers which the scope and financial strength of their industry warrant
29	14965			Employers share in the enactment of legislation, shape the course of trade, increase or diminish production according to their forecasts of world trade, pay the worker when employed and contribute largely to his support when he is idle.





### ANALYSIS OF CHARACTER OF THE EMPLOYER

PAGE IN	PAGE IN	MILLANTYNE	KELLOCK'S	
BRIEF	ARGUMENT	ARGUMENT	REBUTTAL	S U B J E C T
31	14966			The representatives of capital do not deny all responsibility but they do not intend assuming more than their share and even try to narrow it down
31	14966			This man protects the shareholder for whom he is the trustee
31	14966			The president shields himself behind anonymity which divides up and spreads out the responsibility
31	14966			Usually the administrator recognizes only one obligation, that assumed towards the shareholder
32	14967			It is the administrator's duty to the shareholder to economize on wages as on building costs and the purchase of machinery, to employ only the number of workers which is absolutely necessary and to pay in wages no more than can be helped
32	14967	18182		Anonymity answers all objections and when a refusal is voted out it is understood it does not come from the manager but from the anonymous company
33	14968		16329	If the anonymous company had acted differently during the slump the worker would not have been better off
33	14968			Shares would have become depreciated, the shareholder would have sold his stock at a loss and thus unloaded on the public a capital that would yield but a deficit
33	14968			Anonymity makes everything possible except the fixing of responsibility





Anonymous character of the Employer - 2

14969 It may be due to our economical system if anonymous companies are formed, which draw the revenues thereof

14969 Mr. Beauregard is of the opinion that the Companies Act ought to be amended

14969 Mr. Beauregard states that some companies since 1874 have accumulated immense reserves

14970 When a company has millions in circulation and employment is not given in a corresponding ratio, something must be done

14 14970 In the U.S.A. a law has been proposed by the President whereby accumulated reserves are distributed among the employees

14971 All shareholders that have been paid dividends since 1905 are no longer here and the present-day shareholders must not pay when not guilty



OBJECTIVE OF THE EMPLOYER

PAGE IN PAGE IN BALLANTYNE KELLOCK'S  
BRIEF ARGUMENT ARGUMENT REBUTTAL

S U B J E C T

34 14971

The problem for every industrialist consists in obtaining a cost price lower than the selling price

34 14972

Employer and employee are placed in the position of antagonists as regards the cost of labour due to the contraction exerted on labour





MEANS OF ACTION OF THE EMPLOYER

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BAILLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK'S</u> <u>REBUTTAL</u>	<u>S</u>	<u>U</u>	<u>B</u>	<u>J</u>	<u>E</u>	<u>C</u>	<u>T</u>
35	14972			The industry, by the labour employed, the volume of commodities produced, the capital at its command and the money it puts into circulation represents a national asset						
35	14972			The strength of the industry is really made up of the country's sympathy toward the worker who would be the first to suffer by a failure in the industry						
35	14973			Industry due to its highly perfected organization its management and its survival has become a gigantic structure with which the State alone can cope						
35-6	14973			Another means of action is in the organization carried on to the point of perfection						
36	14973			Agreements, associations, partnerships, control are part of a pyramiding organization towered by research, publicity, etc.						
36	14974			Organization is not carried to a point of perfection in the industry as a whole, but it is as efficient in smaller companies						
36-7	14974			The distribution of the mills over two provinces constitutes another means of action against the worker - It enables an order to be forwarded from one mill to another without any loss to the employer but at a loss to the worker						
	14974			This is evidenced by Mr. Gordon's letter to the City of Valleyfield when stating that work would be transferred from Valleyfield to Magog.						



Means of Action of the Employer - 2

- 37 14976 The close relationship between leaders of the industry and the bankers and financiers strengthens the employer's position
- 38 14976 If the worker decides to take issue with his employers he will have to face the power of wealth and combined intelligence functioning as a single unit
- 39 14967 Due to the State's surrender to him of the Canadian market, and his own conservative judgment, the textile employer is a past master in the realm of trade and finance
- 36 14976 The employer could not give a higher wage or steadier employment without being negligent in his duty to the shareholders with whose interests he is solely concerned
- 14976-7 Ex. 298, the letter addressed to the Mayor of Valleyfield by Mr. G.B. Gordon Managing Director of D. T. Co., ought to be taken as meaning the work could be done equally well in Magog as in Valleyfield
- 14978 Mr. Ballantyne explains that the cloth could be bought in Valleyfield from Montreal Cottons Limited by Dominion Textile Co. and manufactured in other mills of Dominion Textile Co., or printed in Magog
- 14978 On account of taxes the cloths were more expensive in Valleyfield than in other places





THE EVIDENCE

PAGE IN PAGE IN BALLANTYNE KELLOCK'S  
BRIEF ARGUMENT ARGUMENT REBUTIAL

S U B J E C T

39	14979	Due to the difference meted out to workers during previous years as compared with other years, it was necessary to go back over a period of years
39	14979	The evidence bearing on the worker forms a bulky and voluminous document
39-40	14979-80	The Commission seeking to hear the worker in his own surroundings refrained from conducting its inquiry according to the procedure followed in courts
40	14980	With a view of granting everyone a hearing and of losing the least possible time the majority of the witnesses appeared voluntarily where and when they wished
40	14980	All through the Commission did not lose sight of the public, the consumers and the imposing financial structure of a national industry



THE WITNESSES

PAGE IN PAGE IN BALLANTYNE KILLOCK'S  
DATE ARGUMENT ARGUMENT INITIAL

S U B J E C T

41	14980-1	A total of 179 male workers representing 25 different occupations were heard
41	14981	55 female workers representing 11 occupations gave evidence
41	14981	The witnesses testified to the truth and nothing but the truth with scrupulous honesty
41	14981	The hearings at Three Rivers and Cornwall revealed more tenseness and bitterness and indicate the fragile characters of the relationship between employee and employer
	14984	At the time Mr. Lachance sent a letter to Mr. Gordon during the testimony of Rev. Cote, he had ceased to be Secretary of the Syndicate
	14985	The letter sent by Lachance was repudiated by Rev. Cote, because it was too important to be sent out without his sanction
	14986-7	Rev. Cote stated he had heard nothing of the letter until it was read in Court
	14987	Rev. Cote stated that since Lachance had become interested in politics he was no longer Secretary of the Syndicate
	14988-9	The letter is read in Court
	14989-90	The telegram in reply is also read





DOMINION TEXTILE CO. LTD.

AGE IN PAGE IN	HALLAHANNE KILLOCK'S								
DAILY ARGUMENT	ARGUMENT	REBUTTAL							
14990-1	18124 to 18129								According to the factum of Dominion Textile Co. (pp.55 &56) the Company claims that the testimony of certain workers proved nothing definite and that the testimony of others was rendered null by that of the superintendents
14990-1									The Company claims that the number of witnesses which appeared is restricted proportionately to the total number of workers employed
14991									Mr. Beauregard submits that the number was sufficiently large, some 4 or 5 persons being heard on one subject
14991									Mr. Beauregard deplores the word 'discontented' used by Mr. Gordon in his telegram when referring to the Montmorency workers
14993									It seems that the Dominion Textile Co. factum will not deal with particular co complaints made by workers
14993									Dominion Textile Co. claims that the workers' complaints as regards work-load were rebuked by Mr. Corrigan
14993-4									Mr. Beauregard reads the testimony of Poliquin
14995-6									Mr. Beauregard then refers to the testimony of J.W. Barrie in respect to the rental of cottages in Sherbrooke
14996									Mr. Barrie states that when deduction of wages is made the number of dependents in the family is considered so that the balance left may be sufficient for the family to live on until the next pay
14996-7									The witness Dubois with 6 children at home pays \$17. rent and according to his pay envelopes filed,deductions left him at times but \$1.00 or .75¢ to live on



- 14997 The Commissioner tells Mr. Ballantyne that he analysed the workers' testimony too summarily and that his conclusions are not exact
- 14998 Concerning the work load and working hours the evidence of the Sherbrooke witnesses teems with instances where workers did overtime for which they received no remuneration
- 14999 Witness Durocher stated (p.305) he did not keep any record of the hours worked before 7 a.m. and that when the amount of hours seems too high he is instructed to deduct hours from the total
- 15000 Witness Castonguay (office clerk) states he keeps the record of work-hours of 4 employees four days in his head before making a written record





PRIMARY CONDITIONS IN THE NORTH

STATUS OF CAPACITY IN THE

ABUNDANCE OF LABOUR

PAGE IN PAGE IN BULLETIN KILBANE'S  
UNIT ADDRESS ADDRESS INITIAL

S U B J E C T

44	15000	The textile industry employs persons of both sexes and of all ages, atvaried tasks
44	15001	Because of the large number of persons able to do the work the factor of supply and demand is brought into play at the expense of the worker
44	15001	There is a continuous substitution of young workers for the older hands
45	15001-2	The un qual distribution of surplus labour makes for wage cuts through comparison and competition
45	15002	The Textile Manual, 1935, page 122, eulogizes the Eastern Townships for the abundant reliable number of hands it furnishes the industry
45-6	15002-3	The same can be said of the Magog district and other rural centres
46	15003	The President ofthe Associated Textiles Ltd. admitted that this consideration had influenced the Company to choose Louiseville
46	15003	This quest for cheaper labour probably induced the Company to remove its Verdun plant to Sherbrooke
	15004	The Verdun mill was abandoned completely and 77 families removed from Verdun to Sherbrooke



MINIMUM WAGES FOR WOMEN

PAGE IN PAGE IN BALLANTYNE KELLOCK'S  
THE ARGUMENT ABOUT THE MINIMUM

S U B J E C T

47 15005

The evidence of Mr. Gordon (p.4512) reveals that workers must be induced to work by paying them the wages paid in other industries

47 15006

The Minimum Wage Act for Women is the only corrective for the law of supply and demand

47 15006

The Textile Manual is of the opinion that this law tends to place a large number of operatives in the 'high wage brackets'

15006

The Minimum Wage Act for Women has been amended and according to Act. 5A, wages for the City of Montreal and a radius of 10 miles are - per hour  
10% of the workers not less than .14¢  
25% of the workers not less than .19¢  
65% of the workers not less than .25¢

and for the Province outside of Montreal - per hour  
10% of the workers not less than .12¢  
25% of the workers not less than .17¢  
65% of the workers not less than .21¢

15007

Previous to that amendment, the number of apprentices was not to exceed 50%

15007

What the industry terms 'high wage bracket' is the maximum of the minimum





IGNORING FACTORS

COST OF LIVING

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BALLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK'S</u> <u>REBUTTAL</u>	<u>S</u> <u>U</u> <u>B</u> <u>E</u> <u>E</u> <u>C</u> <u>T</u>
48	15008	18183	16234	Cost of living which should theoretically be a wage-determining factor, actually has little bearing on the low level of wages
48	15008			The employer uses it as a wage reducing factor and the other claims it to be a lever against any general downward tendency
	15008			Although Dominion Textile Co. produced charts showing that real wages are in conformity with cost of living, this cost of living is not actually taken as a factor



# TARIFF COLLECTION

<u>DATE IN</u>		<u>DATE IN</u>	<u>DATE IN</u>	<u>DATE IN</u>	<u>S U B J E C T</u>
<u>WEEK</u>	<u>MONTH</u>	<u>WEEK</u>	<u>MONTH</u>	<u>WEEK</u>	<u>WEEK</u>
4	48	15009			The textile industry officially recognizes protection as its raison d'être
	49	15009			The Manual of the Textile Industry (1936) page 39, under the heading 'Confederation and After' states expansion of the industry would have been impossible without specific guarantees of protective nurture
	49	15009		16332	The same article in the Manual (page 64) requests the execution of the guarantees
	49	15009		16260	When granting a further tariff protection in 1930, the then Prime Minister said that this was done with a view of increasing employment
	50	15010-11			The Prime Minister also stated at that time that the 'Protection' the tariff revision was meant to give was to give Canadians an opportunity to build up their Dominion
	50	15011		16351	The agreement in question was really a grant, the primary beneficiary of which was to be the worker
	50	15011			The worker is thus in a position to wonder if protection so understood is not to be reckoned as a determining factor of wages
	50	15012			Otherwise the agreement would have been passed solely in the interest of the shareholder
	51	15012			The industry pays labour only at the prevailing rates and has reduced the quantum of labour to the largest extent possible
	51	15012			The question could be asked whether the industry has carried out the agreement it invoked





OTHER DISCARDED FACTORS

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BALLANTYNE</u>	<u>KILLOCK'S</u>	
<u>517</u>	<u>ADJST</u>	<u>ADJST</u>	<u>REBUTTAL</u>	<u>S U B J E C T</u>
52	15012		16332	Several other factors which should enter into wage calculations are disregarded
52	15012	18185		Medical care, unemployment insurance, old age pensions, etc., could be added to the wage paid
52	15012			These advantages would tend to link the worker more closely to his work and help to maintain the rate of production
	15013	18186		Dominion Textile Co. Ltd. allows each year a certain sum for old age pensions but it is done in such a way that the workers can make no claim to it
	15014			Montreal Cottons sets aside \$50,000 a year for pensions; workers must have been employed 20 consecutive years before becoming eligible for pension.



## WAGES IN THE PAST

AGE IN PAGE IN BALLANTYNE KILLOCK'S  
DRIFT AMOUNT AMOUNT RENTAL

S U P J H C T

53	15014	It is impossible to get an accurate idea of wages paid some 30 years back as records were destroyed and but a few workers could give evidence thereon
53	15015	Dominion Textile Company possesses minute books giving summary data on wages dating back to 1890
54a	15015	Chart showing expansion of Dominion Textile Co. by amalgamations and mergers
55-6	15015-6	The worker's share in the set-up is given for the years 1892, 1893, 1897, 1900, 1901, 1902, 1903, 1904, 1906, 1909, 1910, 1911, 1912
56	15016	The yearly wages are all below \$300.00
57	15016-7	Evidence of Charles McQueen of Montreal Cottons Ltd reveals he started working at 11 years of age with wages of .30¢ per day
57	15017	Some witness when 12 years of age earned .70¢ a day which rate was obtained as the result of a strike
57-8	15017	In 1913, when worker was 21 years of age wages had reached .85¢ per day
58	15017	Another witness worked 2 months in 1934 as winner at wages of 109¢ per hour, but witness admitted he was not efficient at the work
58-9	15017	Witness Sauve, married, 3 children, paying \$8 rent, has been with the mill for 25 years and started as back-boy with wages of .30 to .35¢ a day
	15018	Mr. Beauregard states that this wage study over past years is extremely important and reveals as early as 1880 the profits made
	15019	Dominion Textile Co. records show that up to 1914 their average wage to workers is below \$14.00





15019-20

All through the evidence, from page 5285 to page 5397 the directors expressed their gratification at the good showing made by the Company, while the ratio of employment is rapidly increasing

15020

A synopsis shows that the lot of the worker has been neglected disproportionately in comparison with that of the shareholders



THE HILLYER SYSTEM HAYES' PAGE AND OTHER PAGE

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BALANTYNE</u>	<u>HELLOCK'S</u>	<u>S U B J E C T</u>
<u>WITTY</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>REBUTTAL</u>	
61	15020	18194		Price of labour is the market price and once set as the basic wage it may be easily adjusted to the time worked
61	15021			Workers look upon piece work wages as a way of extracting from them as much work as possible without corresponding remuneration
<u>SYSTEMS OF WAGE PAYMENT</u>				
61	15021			Taylorism and Fordism are closely akin to the system in force in the textile industry, i.e. efficiency, desired by the management and the worker's chief concern, wages
61	15021			Three main theories of wages may be considered: i) wages regarded as a means of providing for the worker and his family ii) wages reckoned according to operating results iii) wages taking into account the worker's output
62	15021			These various forms of remuneration do not exert the same influence on productivity and consequently on production costs and selling prices
62	15022			Two factors enter remuneration- (a) a basic wage intended to provide a minimum income (b) variable premiums figured according to quantity, time, quality of work, etc.
62	15022	18195		In the Taylor system high premiums are awarded for quantities produced in excess of the task performed in the minimum time by the most skilful worker
62	15023	18195		In the Gantt system even the less efficient workers are entitled to a premium





Relation between market wages and piece-work wages - 2  
(Systems of Wage Payment)

62	15023		To avoid over-work, the premium in the Gantt system becomes regressive
62-3	15023		In the Ford system all wages are hourly, subject to a daily minimum, increasing according to seniority and nature of the work
63	15023	18196	Systematic rational management as in the Taylor system, means seeking the highest yield from manual labour by specializing each worker according to his aptitudes, by dividing the work to a greater extent
65	15023		The originality of the method resides in its analysis of motions and times, ascertaining for each operation the least fatiguing and speediest motions
63	15023-4		The advantage of this system is to measure exactly the standard time for each task and set the standard wage accordingly
64	15024		The above shows the weakness inherent in the rise of the 'market wage' as the basic wage
64	15025	18197	Taylorism starts from the bottom and rises with efficiency and the bonus whilst here the tendency is to start from the top with a medium wage and to work downwards or to remain stationary despite efficiency
64	15026	18197	The evidence of Mr. G. Blair Gordon, examined by Mr. McNair gives an illustration of how the calculation of wages is worked out (Ev. pp. 4512 et seq. and pp. 4596 et seq.)
65	15027-8-9		
66	16030		
	15027		The Commissioner points out that the statements made by Mr. Gordon were being read from a study prepared beforehand
67	16030		When the bonus disappears, with it also disappears the incentive found in piece-work



Relation between market wages and piece work wages -  
(Systems of Wage Payment)

15030 The wages to be paid are calculated first and once the basic rate is fixed, reductions in the workers' remuneration are made from the top

15031 The tendency in the industry is to give one weaver the work of four and replace the three weavers by less skilled workers, i.e., battery hands, helpers, etc.

15031-2 Mr. Beauregard states that the industry works to reduce the number of workers and wages, the higher-paid workers being displaced

67 15032 Mr. Cote in the name of the Syndicate Out cliques to the Commission, Par.5. states that production is controlled so that the worker can never exceed his regular weekly wages

67-8 15033-3  
15034 Mr. Gordon, in his evidence (pp.4598-4599-4600) stated definitely that if a worker was earning very much above the basic wage the rate per piece or the rate per unit of production would be reduced so that he became closer to the basic wage

68 15034-5 Mr. J. Frank Morrissey, agent for Laken Mills, Harris, R.I., among the authorities filed by Mr. Fessenden, states that it is incorrect to judge the accuracy of piece rates by wages earned by operatives

68 15035 Mr. Morrissey states that rates should be changed only on the basis of the change in the running factors

15036 Regulations as to pensions paid by Dominion Textile Co., are filed as Ex. 1327

15038 18126 Pensions are paid in 3 cases -  
1) at 65 years of age after 15 years of service  
2) at 60 years of age after 20 years of service and when disabled  
3) also when disabled after 10 years of service a pension is paid at the discretion of the committee





(Systems of Wage Payment)

68-9	15039		The doffers particularly in the mills of Dominion Textile Co., are paid according to the output of the spinner, as they themselves do not produce
	15039		This is a diversion from the basic wage as set on productivity
69	15040	18215 & 18215A	Doffers, back-tenders, helper-spinners, and sinterers are paid on piece rates according to the production of the 'mule-jenny' which when less than 4.10 a minute causes the workers to lose their basic wage (Ev. Louis Boutet, foreman, Montmorency Mill, p. 2726)
69	15040		A Montmorency spinner testified that two experienced spinners work alternately as 'mule' spinner and spinner's helper
69	15040	18228	According to that system, the spinner gets the high pay and the helper half, they balance by splitting the spinner's surplus pay
69 70	15040 15041	18224	Spinner says this sharing of wages had been going on for 3 years and he was told not to go and see Mr. Fleming because he would be told to leave the mill if not satisfied
	15041	18226	Mr. Beauregard states that wages are to the worker what dividends are to the shareholder and that a little reorganization in the administration of the wage policy would remedy the grievance of the Montmorency spinners
70	15042		Another worker testified in the presence of his superintendents and fellow-workers that, in the starching room, when production causes wages to exceed 25¢ an hour, part of the production is not weighed and not credited.
	15042-3		The workers believe wages to be fixed definitely for such a job, in such a department, but this is not the case



Relation between market wages and piece work wages - 5  
(Systems of Wage Payment)

- 70 15043 This starcher testified that this practice had been going on for 5 years and it was even worse in the case of some of his fellow-workers than in his
- 71 15044 Mr. Fessenden, as set out at page 215 of his report (Ex. 1210) doubts the accuracy of wage calculations based on output
- 71 15045 At the Wainess Mill, Ex. 70 shows that 10, 20 or 30 looms, under identical conditions of work bring much the same remuneration, the difference if any being in favor of the 10-loom group
- 15046 15081 When a standard of work or wages is set for a certain type of work, what the operative would earn in a kindred operation has to be considered (p.41-Factum of Dominion Textile Co.)
- It is not an absolute factor in determining the amount to be paid for any type of operation
- The factum further states that on that basis wages could have been reduced to an even further degree three years before they were (Wage reduction took place in 1933)
- 15047 It is shown what large amounts were charged to depreciation, repairs and betterments, and to equipment over the years 1930, 1931, 1932, 1933, 1934, after and before the wage-cut (Mr. McNair Factum page 252)
- 15047 Returns made on Investment of \$500,000 are shown (Mr. McNair - Factum p.170)
- 15047 Mr. Beauregard wonders if the public must do something for privileged companies for which the country forsakes large revenues to insure their livelihood
- 15048 The only control the public has as to wages paid in the industry is by the Minimum Wage Board for Women





Relation between market wages and piece work wages - 6  
(Systems of Wage Payment)

IN PAGE IN OF ARGUMENT	SALLANTIN ARGUMENT	KILLICK'S PAGE IN REBUTTAL	D.T.CO. PAGE	S U B J E C T
15048-9		31		The Company claims to be operating within the frame of the present economic system, i.e., capitalist system
15050		31		Wages are the resultant of the interaction of a great number of circumstances and forces
15050		31		It is stated that though the regulations of the game be the same for all industries, the players and factors are particular to each industry
15050-1		31		It is shown that labour is the primary factor of wages
15051		31		Wages are an important factor of cost price and labour must earn its own cost by the contribution it makes to the product of the industry
15052		31		As productivity increases and the volume of goods and services increases, the possibility of higher wages arises
15052		32		In modern industry, labour forms part of a productive organization
15053		32		Before the contribution of labour to the product can be appreciated, wage-payment is subject to the abundance or scarcity of labour as to capital and natural resources
15054		32		Another factor which will influence the reward of the agents of production is the competition that occurs between labour and labour-saving machinery
15054				Mr. Beauregard states that it must be borne in mind that the industry in question is a protected one, with a view of employing labour and providing subsistence
15055				Wages which should be in relation to the contribution of labour to production are influenced by:-



Relation between market wages and piece work wages - 7  
(System of Wage Payment)

15055			1) natural resources; 2) capital; 3) management and demand for the product; 4) the relative scarcity or abundance of labour as to capi- tal and resources; 5) labour-saving mechanization
15056			The struggle with machinery is lost beforehand by the human element. When pressure is exerted it is exerted on the human part of the labour and not on the machine
15056-7	32		Labour's share in the rewards is also influenced by the differences in natu- ral ability and skill and the corres- pondingly stronger bargaining power of the more skilled and therefore less numerous workers
15057 15058	32		Wages are also submitted to considera- tions of domestic and foreign competition the nature and extent of the market, the relationship of wages to other costs, wa- ge levels in other industries
15059	33		To realize a profit, controllable costs must be adjusted and these are the wages
15059			It is seen here that Dominion Textile Co. does not consider real wages and cost of living as factors in the payment of wages
15059	15059	33	The Co. claims that the soundness of the economic basis of its wage and labour po- licies is evidenced by the fact that - 1. it provided continuous employment du- ring the depression 2. it increased the productivity of the workers and the earnings of skilled labour by introducing the most modern methods and machinery 3. labour shared in the increased produc- tion of wealth 4. that the rewards to other agents of pro- duction were reasonable and proportionate on the basis of economic principles





Relation between market wages and piece work wages - 8  
(Systems of Wage Payment)

15061-2			Reference is made to a chart showing the trend of wages and dividends (Mr. McKuer - Factum p. 183)
15063		Of the	Of the 2 factors of the 'productive cost price', employer and employees, it is shown that the employees suffered more severely
15063			Real wages beginning at 100 in 1914 reached 132-133 in 1932 while dividends reached 200, fell back to 160 and regained 200
15063		Th	The difference, 60 points, is equivalent to the reduction in wages of 1932
15064	18069 18075	33	Mr. Beauregard states that the chart just discussed (p.183- Mr. McKuer factum) is a formal denial of the Company's assertion that 'the rewards to capital and management were not unreasonable and disproportionate'
15065	18060	33-4	The Dominion Textile Co. claims that the tariff protection granted the industry is not a reason for which the employees should be paid upon higher levels than other comparable groups
15065	18061	34	The aim of tariff protection is to provide additional employment at a scale of wages in accordance with the economic development in the country as well as to roundout its industrial activity
15066	18061	34	The tariff is imposed merely to make possible the establishment of an efficient and well managed industry
15066		In order to	In order to insure tariff protection and have a 'well managed industry' the had to forsake certain duties and impose higher prices on the consumer, while certain tradesmen lost their business with Japan



Relation between market wages and piece work rates - 9  
(systems of Wage Payment)

- 15067 An industry may be considered a profitable one if it benefits many people
- 15067 18182 In 1933 a poor business year was expected, so the wages were cut and money invested. But 1934 proved to be good
- 15068 Instead of removing the cut from the worker's wages, the money earned in investment was distributed in dividends
- 15068 Mr. Beauregard is of the opinion that a certain control, through unions, syndicates or the State should be exercised on wages, as of the controllable factors, wages suffer most
- 15069 The chart shows that even after 1914, the increase of 30 to 40% in wages is not enormous (Mr. Becker - Factum p. 187)
- 15069 The line showing cost of living took a deep plunge and cost of living today is growing higher, but this item is not taken into consideration as a factor





INDEX AND EXPLANATION

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BALLANTYNE</u>	<u>KELLOCK'S</u>	
<u>BRIEF</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>REBUTTAL</u>	<u>S U B J E C T</u>
73	15070			Following the further grant of tariff protection in 1930 the industry proceeded to modernize its equipment for the purpose of increasing its production and decreasing its manufacturing costs
73	15070			The Textile Manual of 1935 states that an important feature of the industry has been the expansion, rationalization and modernization of plants and equipment and this to an extent of 90% of the total producing capacity of the industry
73	15071			The industry partially achieved its end: to produce at lesser cost on a larger scale and with a smaller number of hands
74	15071			Meanwhile the worker saw the demand for labour diminish and machinery absorb a part of the surplus which could have been used in wages during the depression
74	15071			Page 116 of the 1936 Textile Manual reveals the objective the industry had, namely: to decrease operating charges by proceeding to re-organize its equipment during the depression period
74	15072			The amounts expended for the renewal of equipment as set out at page 125 and 131 of the 1935 Textile Manual are very considerable
75	15073			At page 116 of the 1936 Manual it is stated that during the past ten years the sum of \$38,552,589.00 has been spent on imported textile machinery
75	15073			Concurrently with standardization is mechanization which are the two principal means of scientific organization towards mass production and market saturation
75	15073			The situation is such that with a lesser number of hands less work, less money in wages, there is increased production, increased sales and unit profits are reduced but multiplied



- 75 15074 Extracts from the evidence of Mr. W.J. Whitehead, General Manager of the Wabasso Mill referring to Ex. 75, 76, 77, brings out clearly the swing of the pendulum: value and production move upward, while employment and wages move downward
- 76 15074 Mr. Whitehead's evidence (pp.1075 et seq) reveals that in 1925 the proportion of wages to total production was 27%; in 1928 32%; and in 1935, 20.1%
- 77 15075 Mr. Whitehead gave as an explanation of the difference in percentage the introduction of automatic looms and automatic machinery which reduced the labour content of the product
- 15078-9 At page 1080 of the evidence, Mr. Whitehead admitted that the wages were some 10% lower now than they were in 1928
- 77 15079 Statement prepared by Mr. Whitehead shows that the number of employees in 1928 was 2,450 and in 1935 or 1936 it was 1858 - a difference of 592 employees
- 77 15080 Mr. Whitehead (p. 1084) states that the mechanization which began around 1930, causing a drop of 2450 employees in 1928 to 1637 in 1930, is not yet completed and that a further reduction in the number of hands may be anticipated
- 15080 Mr. Whitehead (p.1084) contends that the output cannot be increased by the installation of new machinery because a number of employees has to be assigned to operating this new machinery
- 15081 Mr. Monner contends that the old machinery which is occupying floor space is idle and nobody is working on it
- 77 15082 At page 1085, Mr. Whitehead's statement shows that while wages dropped from \$1,000,000 to \$971,000, production in 1928 was 16,000,000 yards as compared with 37,000,000 yards today, a reflection on the effect of the installation of automatic looms





Wages and mechanization 3

78	15083	15335	The same witness (p.1114) states that doffing work is usually done by boys 14 to 16 years of age but that these have been superseded over the past few years by married men and older boys who had been displaced by mechanization
78	15084-5		While doing a boys's boy, these men were also getting boy's pay and Mr. Whitehead claims this was done for the benefit of the community to keep these men and their families off relief lists
79	15085		Same witness (p. 1162 et seq) states that an addition of 3 people on the 1935 salary list over 1928 meant an addition of \$20,000 to the payroll
79	15086		While trying to excuse the cut in wages on the ground that they had to sell cheaper and the purchasing power per man was lower, the salaries per man were going higher in 1935 than in 1932
	15087		Table 325 shows that the total wages paid to 514 weavers in 1929 were \$410,809.48 or an average of \$30.75 for 110 hours per weaver
	15088		In 1935 the total wages paid to 263 weavers were \$202,552.50 or an average of \$29.60 for 110 hours per weaver
	15089		The outstanding feature in this comparison is the decrease in the number of workers:- 514 as against 263



# WAGES AND EMPLOYMENT

ON IN	PAGE IN	BALLANTYNE	KELLOCK'S	S U B J E C T
LINE	ARGUMENT	ARGUMENT	REBUTTAL	
80	15089		Mr. Whitehead (Ev. p. 1384) does not agree with Mr. McKuer that if the Company had not paid \$1,400,000 in dividends on stock that did not cost the Company anything, the Company would not now need such high protection	
	15090		Ex. 952 shows that the total sales in 1929 were \$4,600,201.18 as compared to \$5,189,271.57 in 1935	
80	15091		Mr. McKuer believes it is unsound that an industry should be given protection if the wages they pay are such that a man cannot reasonably live thereon	
80	15091		Mr. Whitehead states that if the workers are not satisfied with their standard of living all there is for them to do is go back to the farm from whence they came	
81	15092		Mr. Whitehead does not believe that the promise made by the industry to increase employment if the tariff protection were increased in 1930 could have induced workers to seek employment	
81	15092		Mr. Whitehead declares candidly that the increase in task corresponds to the falling off in the number of employees and the lowering of the rate paid to survivors	
82	15094		Mr. Whitehead states that nowadays a weaver on 50 looms does nothing but run the looms with a little cleaning towards the end of the week, while the weaver who had only 6 looms had to change the bobbins clean and run the looms at the same time	
82	15904		The cleaning jobs and battery work are now done by a lower class of help	
	15904		Mr. Beauregard states that domestic competition has been very sharp	
	15905		In view of the markets of 1934 and 1935, a number of mills were opened, which found themselves with an opened and assured market	





- 15905 The industry has touched upon but not developed its hypothesis that if it had not mechanized or modernized its equipment, it would have been out of competition with other countries
- 15906 The objection being made to mechanization in Canada is that the time was not ripe for it at yet
- 15907 In the thick of the depression tariff protection was invoked as urgent and provided an opportunity to renovate the plants while employment was on the decline
- 15908 Not one industry fulfilled its undertaking to employ more labour after receiving increased protection. - Wages are higher in other industries while in cotton and silk we always come across the average wage
- 15909 Mr. Ballantyne states that importations from England have dropped since 1930, and since 1934, they have dropped increasingly and that protection in Canada is needed because there is still considerable competition from foreign countries
- 15910 Based on lbs the quota of the Canadian market for cotton import is:  
Canada : 83.2 % Great Britain : 11.5 %  
and based on a lineal measure:  
Canada : 73% Great Britain : 23%  
other countries: 3½%
- 15910 Dominion Textile Co. re-organized prior to 1930 and acquired the Valleyfield mills later
- 82 15911 The increase in mechanization during the depression came under a certain measure of protection in a market deliberately closed in order to create employment and maintain wages and was not what the workers and the public expected in a time of unemployment



# WAGE CUTS

<u>AGE IN</u>	<u>PAGE IN</u>	<u>BALLANTYNE</u>	<u>KELLOCK'S</u>	
<u>BRIEF</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>REBUTTAL</u>	<u>S U B J E C T</u>
82	15911			To avoid competition in the Canadian market, it was necessary to reduce wages officially and generally
83	15911-2			The reduction is hard to establish in certain cases, because it was effected coincidently with a redistribution of the task, a change of work, the introduction of new machinery or the manufacturing of a new product
83	15912			Mr. Gordon in his evidence (pp.4781,4782, 4783) states that the total wage reduction in 1933 was worked out at about an average of 11.4% per worker
83	15913			80% of the workers suffered a straight 10% cut while in the particular case of the weavers, the reduction amounted to 20%
84	15914			In the case of the weavers, however, if the number of looms were decreased, the piece work rate would be automatically increased
84-5	15915-6			Mr. Whitehead of Wabasso Mill (p. 1156) states that the rates were not actually altered, but the tasks were greater, the reduction in wages ranging from 2½% to 10%





UNION RECORDS

PAGE IN PAGE IN BALLANTYNE KILLOCK'S REPORT	REPORT	REPORT	S U B J E C T
86	15916		The fact that they do not know exactly what their wages are is a serious grievance of the workers
86	15917		This ignorance of the true amount of their wages may be due to the conversion of the prevailing wage into basic wages for piece work and the number of factors involved in the computation of production
86	15917		Mr. Fessenden gives the history of basic wages for weavers at the Merchants Plant of Dominion Textile in his Report (p.106) (Ex. 1210)
87	15918		Page 76 of the Report gives the tariff a weaver must consult to calculate his wages
87	15919		The weaver cannot know exactly the amount of his production and of his wages without figuring for 44 looms the five elements on which piece work rates are based
	15919		The above table does not show much difference in the basic rate: - 1932 - 21.35 1935 - 20.15 But the number of looms per weaver increased from 24 to 44
	15920		In August 1935, to comply with the Minimum Wage Law, battery-hands' wage (basic) were raised from \$8.05 and \$10.75 but at the same time the allotment of looms was increased per battery hand
87	15921		As for weavers at the Merchants plant the total reduction suffered in wages on Style E27 amounted to 27.7% in 1933
	15921		The weavers' basic wage increased from \$21.35 in 1925 to \$24.00 in 1926 while the increase in loom allotments resulted in a net reduction in weaving costs of 40%
87-8	15922		Besides the downward variation of the basic rates, one must take into account the adjustment of the machine as stated by foreman Boutet (p. 2712 et seq.)



- 88 15923 Foreman Bortet (Ev. p. 2718) states they make little use of the basic wage of \$7.55 for back-boys' basic wage
- 88 15923 Foreman Bortet (p.2721) admits that even his assistant does not know the price paid per hank because nobody ever asked for it
- 89 15924 At Montmorency the rates are not posted up and many workers are unfamiliar with their rates of wages
- 89 15925 One worker was told by a clerk in the mill it was forbidden to tell the rate and to keep it a secret
- 8 15925 Omer Vezina, assistant foreman at Montmorency, stated: 'I cannot tell you about wages, I cannot give any information.'
- 89 15926 Some mills, however, in order to maintain the incentive element that characterizes the piece work system, post up rates, give them to the workers on a card or they are given on the pay envelope





WAGE VARIATIONS ACCORDING TO LOCALITIES  
THEIR EFFECT

PAGE IN PAGE IN BALLANTYNE KELLOCK'S  
DATE AMOUNT AMOUNT REMARKS

1 2 3 4 5 6 7

90 15926-7

The Canadian worker should benefit by the protection granted which should be sufficient to make up the difference between the wages paid the Canadian worker and that received by the worker of certain foreign countries, but this is not the case

90 15927

The unevenness of wage levels in Canada is a fundamental obstacle to the increase of workers' earning since the small wage through local but ruinous competition drags the fair wage down to a lower level

15927

Mr. Beauregard states that it is unsound and uneconomical that in the very industry there should be for identical occupations differentials in wages ranging to 20%

90 15928

Excerpt of Rev. Father Cole, chaplain of the Catholic Labour Unions of the Province of Quebec (pp.2594 et seq.) is quoted on the subject

90 15928

Rev. Cole states that the workers would like the Government to set down as a condition of tariff protection afforded the industry, the obligation of the industry to agree to collective bargaining to protect the workers

91 15928

This is desirable for the following reasons -

1) to free both employers and employees from the internal competition which has beset the industry for many years

92 15930

2) The extension of collective bargaining to labour, well organized and equitably applied, would win for the workers decent wages and reasonable hours of work as all employers in the province would be subject to the same measure of control



WAGE VARIATIONS ACCORDING TO LOCALITIES  
THIS INDUSTRY

PAGE IN PAGE IN BAILLYTYPE WILCOCK'S  
FILE NUMBER NUMBER INITIAL

S U B J R C T

90	15926-7	The Canadian worker should benefit by the protection granted which should be sufficient to make up the difference between the wages paid the Canadian worker and that received by the worker of certain foreign countries, but this is not the case
90	15927	The unevenness of wage levels in Canada is a fundamental obstacle to the increase of workers' earning since the small wage through local but ruinous competition drags the fair wage down to a lower level
	15927	Mr. Beaugregard states that it is unsound and uneconomical that in the very industry there should be for identical occupations differentials in wages ranging to 20%
90	15928	Evidence of Rev. Father Gote, chaplain of the Catholic Labour Unions of the Province of Quebec (pp.2594 et seq.) is quoted on the subject
90	15928	Rev. Gote states that the workers would like the Government to set down as a condition of tariff protection afforded the industry, the obligation of the industry to agree to collective bargaining to protect the workers
91	15928	This is desirable for the following reasons - 1) to free both employers and employees from the internal competition which has beset the industry for many years
92	15930	2) The extension of collective bargaining to labour, well organized and equitably applied, would win for the workers decent wages and reasonable hours of work as all employers in the province would be subject to the same measure of control





# THE AVERAGE WAGE

PAGE IN BRIEF	PAGE IN ANNEX	PAGE IN BRIEF	PAGE IN ANNEX	S U B J E C T
93	15931	15228		When the diverse sources of information are consulted and compared with statistician's data, although both deal with the same figures they do not agree in arriving at a well founded opinion of the average wage
93	15931			Just what is the average wage and how much it is in dollars and cents is difficult to ascertain
93	15931-2			Ex. No. 1300 shows the result of the analysis made of the pay-lists for the 1st fortnight in February 1936; the average hour-wage of all men and women workers in the different industries in Quebec and Ontario
94	15932-3		16356	Cumulative percentage distribution of male employees according to hourly earnings for all branches of the industry
	15933		16341	The differentials between Quebec and Ontario persist throughout the different industries
95	15934			Cumulative percentage distribution of female employees according to hourly earnings for all branches of the industry
	15935			The differences between Quebec and Ontario wage rates are still more glaring for female workers than for males.
	15935			It seems that with same conditions, same advantages in the same industry there should not be such a difference in wage levels between Quebec and Ontario
	15936			This causes competition which is not very favourable to the worker
95	15936			Wages in the Maritime provinces average between Ontario and Quebec
95	15936			



The average Wage - 2

- 95 15936 according to a statement of Mr. G. Franco, Chairman of the Women's Minimum Wage Board, from July 1, 1935, to July 1, 1936, female employees in Quebec worked an average of 42 hours per week
- 96 15937 This shows a comparison between Quebec and Ontario of the weekly wages paid to male employees
- 15937 The highest wage paid in Ontario, in the cotton section, was \$16.80 with a percentage of 8.2% for Quebec and 9.7% for Ontario
- 96 15938 While minimum weekly wages for women are \$12.12 for Montreal and \$11.20 for the Province, 68.1% of the male workers in Quebec, and 45.9% in Ontario, earned less than \$12.60 per week
- 96 15938 It is evident that the abundance of labour in Quebec has a tendency to lower the wages
- 97 15938 Mr. Beauregard notes that the wage of each group is based on the maximum of the group which tends to raise the scale
- 97 15939 The Textile Manual (1935) page 17 claims that the industry realizing its obligation to the communities operated during the depression period at 40, 50 and 60% of capacity
- 15939 Mr. Beauregard states that if there was not more work to be given he believes the industry was justified in having employed workers on a reduced schedule
- 15940 Again mechanization comes in: it caused this shortage of work, although production was not reduced and sales figures show an increase in most cases
- 15941 The Commissioner states that since production has remained its level and still hours of work are very low, mechanization must be responsible for the wage differentials





The average wage - 3

97-8	15942		The spread between Quebec and Ontario for female workers (Ex.1300) is no less substantial and is all the more significant since female workers represent some 50% of the cotton-mill workers, the great majority of whom are in Quebec
98	15942		50% of the silk workers in Ontario are earning more than \$12.60 per week
98	15943		Mr. Beauregard suggests that the industries which claim protection to offset the difference in wage levels outside Canada might very well make the same claim as regards the domestic labour market
99	15944		The wage scale in the woollen industry is higher than in silk or cotton and the levels between provinces are better balanced
99	15945		It is evident that the wage scale of the knit-goods industry is an appreciable factor in raising the level of the average wage of the textile worker
100	15945-6	16346 16356	Female workers are so favoured in the Hosiery industry as in woollens and knit goods
100	15946		There are no carpet workers in Quebec, but wages although not so high as in the hosiery section are still better than in other sections
101	15947		A study of the summary of pay lists submitted to the Commission reveals to what extent labour has contributed to the prosperity of the industry
101	15947		Analysis of payrolls for the year 1926, 1930, 1934 and 1936 for the Woollens & Papermaker's felts is given for both provinces
102	15948		The same differentials are to be noted in the Knit Goods section
104	15948	16346	The same also applies to the Thread division in which 3 companies replied to the questionnaire submitted



The Average Wage - 4

106	15949		Ex. 1287 shows 41 industries listed and classified according to the average weekly wage, based on reports of the Industrial Census Bureau of the Dominion Bureau of Statistics and is for the whole of Canada
106	15949		For female workers the automobile industry heads the list with an average pay of \$20.52, the fish industry being the last with an average of \$6.77
106	15959		Rayon occupies the 14th place with \$12.67 while the cotton branch takes the 18th one with \$12.26
106	15950		The male worker occupies 24th place for rayon with \$21.04 while he is in 38th place for cotton with \$16.13
106	15950		Ex. 1288 is a similar statement and shows for Quebec - Female workers - rayon - 7th place - \$12.75 cotton - 9th " \$11.80 Male workers - rayon - 21st " \$18.62 cotton - 32nd " \$13.61
106-7	15950		Ex. 1289 is for Ontario and shows - Female workers - cotton - 16th place - \$13.13 rayon - 23rd " \$12.63 Male workers - rayon - 15th " \$23.84 cotton - 37th " \$17.26
107	15950		It may be due to minimum wage regulations but the female worker is much better off than the male worker for the whole of Canada as well as for Quebec and Ontario
107	15951	16348	The discrepancy between Ex. 1285 and 758 and 1287, 1288 and 1289 is due to the fact that Ex. 1287, 1288 and 1289 deal with the basic or standard wage that the worker, all else being equal, would have received had he been employed whereas Ex. 1300 deals with wages actually paid
108	15951		If one wants to consider the economic value of one industry in comparison with another it is not enough to know the piece work rate or the wage per hour or standard week; it is also necessary to know how many weeks an industry has kept its workers employed





The average Wage - 8

- 108 15952 In some reports the hourly wage of the piece worker is arrived at by dividing the day's earnings by 8 or 10 hours while the man actually worked 11, 12 or 13 hours
- 108 15952 16350 Mr. Gilbert, an assistant foreman, at the cotton branch of Dominion Textile Co. (Sherbrooke) and also time-keeper, (Ev. pp. 412, 414, 415) declared that they are not supposed to enter the time worked before the regular hour: they are supposed to enter 10 hours, full time, from 7 a.m. to 6 p.m.
- 109 15953 The foreman does not contest the accuracy of one Breton's entry (Ex. 15) of 11½ hours while his record shows 10 hours
- 109 15954 Breton's wages were \$30.20 for 68 hours while his time book showed 78½ hours, leaving a margin of 3.3¢ per hour or more than 10%
- 110 15955 The variance comes from the system which is on all counts a faulty one
- 15958 Reports from the Department of Labour show spreads in the cost of living between Ontario and Quebec of 20 and 25% - In 1933 it was 7% and 1936, 11.03%
- 110 15959 16350-1 Mr. Blair Gordon submits an interesting commentary on the construction to be placed on the returns filed for the Census of Industry
- 110 15960 In compiling the Census returns, the accountant takes in the actual amount of workers but they are all treated in the different groups as though they worked full time in the period
- 15961 Witness Castonguay, office clerk at the Sherbrooke Branch (Ev. p. 386) declared that figures are corrected and changed, thus altering statistical figures



The Average Wage - 6

- 111 15962 The average wage being a levelling process may infer that there are no slumps in textile workers' wages, but an examination of a few pay lists will reveal that there are
- 112 15964 The Census of Industry reports filed by Mr. Gordon show that in 1934, in the class \$7-\$8, there were 4 males and 14 females, while in 1935, there were in the same class 22 males and 3 females (Ev. p. 4573 et seq.)
- 112 15965 Mr. Gordon states that the probable reason for that is that the Minimum Wage Board regulations limit the percentage of women workers in the lowest paid group to 10%
- 15965 The Minimum Wage Law was enacted to protect the female workers who were very badly paid
- 15965 Although in Quebec, boys are allowed to work at 14, it is a general practice in the mills not to employ them before they are 16, on account of the abundance of hands
- 113 15966 As this low paid group is made up of jobs which can be filled equally well by boys and girls, boys have replaced girls in the \$7-\$8 section and they are paid the same rate had the girls been there
- 113 15968 The truth of this statement is shown by the next group, \$9-\$10, where there were 15 females in 1934 but none in 1935
- 113 15967 Mr. Gordon justifies their practice of paying a lower rate to boys than they would have been compelled to pay by law to the girls by the fact that they have more of these inferior jobs than the 10% limit of the Minimum Wage Law for Women covers





114	15968	Mr. Gordon states that they did everything to keep their quotas within proper proportion
	15971	The Minimum Wage Law for Women had the effect of dislodging the female workers from the lower-paid division and of replacing them by male workers
	15972	It would be most desirable that there should be a minimum wage law enacted for the benefit of the male workers
114	15972	The Sherbrooke wage level, however, would seem high compared to the wages paid at the M.E. Binz Co.
114	15972	Miss Jeanne Mainville's record shows that she entered the M.E. Binz Co. in 1931, at .05¢ an hour and reached .21¢ only in Nov 1936
115	15973	As soon as this weaver's wages reached \$7.20 per week, she bought a share of the capital stock of the company which was paid for in instalments and deducted from her wages
	15973	It took this weaver 5 years to reach the minimum of the highest category prescribed by law
115	15974	After 3½ years as spooler-tender, witness Miss Tondreau earned \$1.45 for a ten-hour day, beginning at the rate of 5¢ per hour (her father bought 5 shares of the Company stock)
115	15975	Cecile Morin, a silk inspector, also began at 5¢ an hour, in 1932, and got slow gradual increases (Ev.p. 2933)
115-6	15975-6	Rodolphe Gendron a spinner working alternately day shift at 15¢ per hour and night shift at 16¢ per hour rose gradually from 4¢ an hour in September 1932 to 6½¢ per hour in November, 1932
116	15976	Ex. 171 tells the whole story of this worker's salary progress
116-7	15976-7	Some 40 employees who had decided to organize a Syndicate were dismissed on the morning following the first meeting



- |     |       |  |
|-----|-------|--|
| 117 | 15977 | This mass dismissal was made upon orders from Mr. Walter Binz who told the foreman that papers signed by these workers might be the cause of trouble   |
| 117 | 15977 | Louiseville was chosen as the site for the Associated Textile of Canada Limited because of the grant made to it by the Municipality, the exemption of real property tax and its cheap labour supply                                  |
| 117 | 15977 | Mr. Marx, the President claims that the average wage paid in Louiseville prior to the establishment of the plant was \$6 to \$8. This affects the rates of wages paid at the mill as evidenced by the testimony of several witnesses |
| 118 | 15978 | Two consecutive strikes caused the 1934 wage reduction of 12½% to be removed and the restoration of 20% while the reduction of 20% in January 1936 applied only to warpers and weavers   |
| 118 | 15979 | What the original wages must have been can be judged by the present wages which are said to be 25 to 300% higher   |
| 118 | 15979 | The management of Associated Textiles of Canada Limited, expresses the theory that wage cuts will speed up production as in his eagerness to keep up his income the worker will work much harder                                     |
| 119 | 15980 | The 1936 cut of 20% was worked out with a view of getting increased production to make up the workers' wages   |
| 119 | 15980 | Since the 1935 strike the Webasso Mill has been operating 24 hours a day or 3-8hour shifts   |
| 119 | 15981 | In February 1933, 769 employees out of 1530 received wages based on a schedule of less than 21¢ per hour   |
| 120 | 15981 | In February 1934, 799 employees out of 1848 received less than 21¢ an hour   |
| 120 | 15981 | In 1935, 649 out of 1858 received less than 21¢ per hour but those earning less than 12½¢ have disappeared as a result of the Women's Minimum Wage Law   |





120	15982	As stated by Mr. W.J. Whitehead, the rates are now much lower than in 1926 and since that year the proportion of labour in the output of the Company has fallen from 32% to 20%
120	15982	Mr. Whitehead admits that the tariff changed of 1930 had in view the benefit of the workers
121	15983	Mr. Whitehead contends it was perfectly fair and legitimate for the industry to reduce wage scales twice following the increases in tariff protection because their industry was being forced out of competition
	15984	Since the worker contributed in assuring the existence of the industry by accepting wage cuts, should not the industry share with the worker its recovered prosperity
	15984	The November wage increase was effected by paying the same weekly wage for 48 hours as for 55 hours
	15985	In the weave room the increase was about 15% and in the spinning room about 30%, thus bringing the weaver's and spinner's wage to approximately the same per week
	15986	There is a difference of 5% between night operators and day operators on the same class of work
	15986	Those coming under the Minimum Wage Act for Women received no increase, but the former wages were reinstated
	15986	The wage restoration is made up by a reduction of 7 hours per week and an increase of \$2.00 in the wages
	15987	An insurance plan has also been adopted by the Company but no regulations thereof are yet available
121	15987 16006	A pitiful case in the Sherbrooke Silk division is that of Mrs. Provencier who received usually \$11.80 for 55 hours or 20¢ an hour, but who received during the last fortnight but \$5 for 40 hours or about 10¢ an hour



121	15987		No explanation as to this wage differential has yet been forthcoming
121	15988-9		The testimony of Foreman Louis Boutet of Montmorency taken from the pay lists gives an illustration of what standard of living the young workers of the locality maintain when working full time as helper-spinner
122	15989	16352	These youths' wages proved to be much under the basic minimum of \$11.20 applicable to female workers
122	15990	16353	Another case of sharp decline in wages is that of Matthew H. Sargeant, formerly employed in the Campbellford Cloth Co. where following two cuts - one in 1930 and one in 1936 - wages dropped from \$42 and \$49 to \$15 per week
123	15991		Mill workers of that locality were compelled to apply for Municipal Relief





THE 171ST REGIMENT

AGE IN 1917	PAGE IN ACT	BALLANTYNE AMOUNT	KELLOCK'S RENTAL																																	
124	15991	16341	16321	Order No. 5 (Revised) of Act 100 R.S.Q., 1925, provides for the payment of a minimum wage to <u>women and also men</u> , when the latter replace the former in the textile industry																																
124	15991	16340		As a result of the redistribution of work which followed the revision of the Order, young men and even married men, were given tasks which could no longer be demanded of women and young girls																																
125	15992			During 1935, several mills availed themselves of the exemption allowing the lengthening of hours of labour for 4-week period																																
	15993			These permits are obtained from the Inspector of Industrial Establishments																																
125	15994		16356 16360 16364	Minimum rates of wages under the Act are as follows: <table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>Mont- real</td><td>Pro- vince</td></tr><tr><td>10%</td><td>females - at least, per hour</td><td></td><td></td><td></td><td></td><td>12.7</td><td>12.7</td></tr><tr><td>25%</td><td>"</td><td>"</td><td>"</td><td>"</td><td>"</td><td>19¢</td><td>17¢</td></tr><tr><td>50%</td><td>"</td><td>"</td><td>"</td><td>"</td><td>"</td><td>25¢</td><td>21¢</td></tr></table>							Mont- real	Pro- vince	10%	females - at least, per hour					12.7	12.7	25%	"	"	"	"	"	19¢	17¢	50%	"	"	"	"	"	25¢	21¢
						Mont- real	Pro- vince																													
10%	females - at least, per hour					12.7	12.7																													
25%	"	"	"	"	"	19¢	17¢																													
50%	"	"	"	"	"	25¢	21¢																													
125	15995			48-hour week wages may be presumed to be: <table><tr><td></td><td></td><td>Montreal</td><td>Province</td></tr><tr><td>10% - at least -</td><td></td><td>\$ 6.96</td><td>\$ 6.00</td></tr><tr><td>25%</td><td>"</td><td>9.12</td><td>8.00</td></tr><tr><td>50%</td><td>"</td><td>12.00</td><td>10.00</td></tr></table>			Montreal	Province	10% - at least -		\$ 6.96	\$ 6.00	25%	"	9.12	8.00	50%	"	12.00	10.00																
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25%	"	9.12	8.00																																	
50%	"	12.00	10.00																																	
125-6	15995-6			The two maximums of the minimum schedules namely, \$10.00 and \$12.00, are what the industry in its Manual, considers 'high wage brackets'																																
126	15996			Compared with minimum scales in other industries, the Montreal textile figure is lower than 30% of the minimum scales effective in Montreal, and the provincial figure higher than 50% of the minimum effective throughout the province																																
126	15996			The Women's Minimum Wage Act in some cases proved to be an obstacle to the wage rates that the industry considered itself in a position to pay																																



The Minimum Wage for Women - 2

15997 16245 Mr. Ballantyne claims that Mr. Franco chairman of the Minimum Wage Act for Women had said that the minimums were maximums

15997 Mr. Beauregard directs attention to p. 10743 of Mr. Franco's evidence, where being examined by Mr. Kellock he stated 'it is not my intention to say that the minimum wage became the maximum wage especially in the textile industry'

15998 Mr. Franco further stated that the minimum set by the Board cannot be the minimum wage but it may be the current wage in practically all the industries

126 16000 16243-5 In order to retain their jobs in the Montgomery Mill, women workers, entitled to promotion under the Act, were obliged to sign a formal waiver of increase in salary (See Inspector Desnochers' evidence p. 2355)

127 16001 16285 The rates were established on the lowest budget required for living by a female worker, the cost of living being established at \$12.00 per week

127 16002 It is the Commission's desire that every industry be made to conform to a wage standard that might be adopted and which would meet all requirements

128 16003 The crux of the question lies in the fact that, according to Mr. Franco, no matter what maximum wage figure is established, women workers nearly always get less and their wages do not even come within measurable distance of it

16004 Mr. Ballantyne contends that short hours are not responsible for the fall below the maximum and states that even when working a full week, wages do not exceed \$10. per week

16004 Although legislators realized that a wage worker could not live on \$12.00 a week, they did not compel the industry to pay \$12.00 per week





The Minimum Wage for Women - 3

121	15906 15967	Witness, Mr. Provencher, stated in her evidence she had worked 40 hours for \$5.00 while it was really 29 hours making an average of 18.40¢ per hour
122	16008	Comparative table showing the basic wages for recent years and the wages actually paid
129	16009	Table showing the distribution of earnings of women workers for the whole textile industry for Quebec Only



THE CASE OF APPRENTICES

<u>PAGE IN</u> <u>EXHIBIT</u>	<u>PAGE IN</u> <u>ARGUMENT</u>	<u>BALLANTYNE</u> <u>ARGUMENT</u>	<u>KELLOCK'S</u> <u>REBUTTAL</u>	<u>S U B J E C T</u>
130	16011			The average rate for doffers in Ontario is 28.3¢ as compared with 19.5¢ in Quebec, making the wages for a 42-hour week \$11.88 for Ontario as against \$8.19 in Quebec
130	16012			In the case of 6 months apprentice stage the company makes a clear profit of 3½ months wages or \$167.20
130	16012			Unremunerated services as practices in the mills are anti-social. In the case of the woman worker such a thing is prohibited
131	16013			It would appear that the young male worker also ought to be treated as the State's Ward
<u>OVER TIME WAGE</u>				
132	16013			Time-and-a-half works in favor of the piece worker by increasing his income, but decreases his rest-time
133	16013			It allows the employer to fill orders on short notice and to reduce management costs by making fuller use of his equipment
132	16013			Fortnights of 140 hours has been noted in the course of the evidence
132	16013	16252		Witness Houchard (p. 10536) stated that 200 workers of Montmagny, following an emergency call, worked 25 hours out of 30
133	16014			The practice while being widely resorted to when orders are numerous is a deplorable one which could properly be enquired into by the Board of Health





LOW WAGES

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>WALSHYON</u>	<u>WELLOCK'S</u>	
<u>INDEX</u>	<u>AMOUNT</u>	<u>AMOUNT</u>	<u>INITIAL</u>	<u>I U P F E C T</u>
134	18614			Any wage that does not allow the worker to support himself and his family is a low wage
134	18613			The industry is responsible therefor by having enhanced the number of low positions to the detriment of the higher ones
134	18615			Wabasso Co. succeeded between 1928 and 1936 in more than doubling its production while reducing the number of its workers by one quarter and the payroll by one third



# HIGH WAGES

(COTTON)

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BALLANTYNE</u>	<u>KILLOCK'S</u>	
<u>PRINT</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>REMITTAL</u>	<u>S U B J E C T</u>
136	16017-8	16336	16368	Ex. 1301 shows the average hourly earnings for selected occupations in the cotton industry in Ontario for the years 1926, 1930, 1934 and 1936
137	16019-20			Ex. 1301 shows the average hourly earnings for selected occupations in the cotton industry in Ontario for the years 1926, 1930, 1934 and 1936
	16020			The average wage for Dominion Textile Co. in 1936 is 25.2¢ as compared with Canadian Cottons 27¢ at Cornwall mills and 28.3¢ at Hamilton
	16021			Ontario doffers' wages are 28.3¢ while Quebec doffers' wages are 19.5¢
138	16022			Ex. 1302 shows the average hourly earnings by occupations in the Cotton Mills of New England and the Southern States
	16024			Canada's position is about intermediate between the North and South States combined and divided by 2
139	16024			Mr. Beauregard has calculated the average weekly earning for males and females for a 42-hour week in Quebec and Ontario during February 1936
139	16025		16370 16371	The spread between Ontario and Quebec wages is probably due to the difference in cost of living in the two provinces
139	16026		16370-1	Female weavers alone seem to receive wages a little above the \$12.12 basic average of the minimum wage as set by the board
140	16026		16371	It must be noted that all groups (excepting battery hands) are above the maximum of the minimum





IS THE WAGE ADEQUATE ?

<u>PAGE IN</u>	<u>PAGE IN</u>	<u>BAILLANTYNE</u>	<u>KELLOCK'S</u>	
<u>BRIEF</u>	<u>ARGUMENT</u>	<u>ARGUMENT</u>	<u>MENTAL</u>	<u>E U P I E T</u>
141	16028			The unemployed on relief are given as a matter of justice, housing, fuel, food, etc.
141	16028			The question is asked if it is not reasonable to give as much to the employed worker as to the unemployed
141	16029			A return to harlot privation is not possible and the money powers face resistance and criticism formerly limited to subversive elements



CAN WE THOUGHT THE HIGHER U.S.?

PAGE IN	PAGE IN	WILLIAM THE KILLOCK'S	
WILLY ARGUMENT	ARGUMENT	REVIEW	S U B J E C T
142	16029		It can be said that no industry in Canada is better able to sustain employment during depression than is the textile industry
142	16030		As a sort of official statement, in the Industry's Manual for 1936, in an Editorial entitled 'Leads Them All' it is stated that the textile industry is Canada leading source of manufacturing employment
142	16031		Canada's ten leading manufacturing industries for the year 1934 showing the number of establishments, the number of employees and the salaries and wages paid
143	16033		A further chart in the Manual shows the capital invested in the main branches of the primary textile industry during the year 1934
144	16034		In order that the public should be thoroughly convinced of its healthy condition, the Industry gives in its 1936 Manual a comparative statement of capital invested in the main branches of primary industry from 1929 to 1934
145	16036		The Manual states at page 77 that the increase in working capital in 1934 over 1929 was 2.9% and that the liquid position of the industry was extraordinarily well preserved
145	16036		One feels justified in believing that an industry acknowledging such a strong financial position should or at least could sustain employment for any length of time during a depression
146	16037		To help the unemployed is a duty and even if the industry refused to fulfill a moral obligation it could not refuse to fulfill an implied obligation





Can the Industry Pay Higher Wages ? - 2

147 15038

High protection is a two-way agreement,  
the obligation of the beneficiary being  
to maintain employment



# SUMMARY OF EMPLOYMENT AND WAGES

DATE IN	DATE IN	WILLIAMSON KOLLEGE'S	
DATE	DATE	A. (DATE)	INITIAL
			S U B J E C T
147	18038 18039	18372	In view of the privileged position of the industry, it is to be expected that it will maintain employment to the greatest extent possible from the double standpoint of the number of employees and of the wage levels and discharge its obligations more completely than industries operating in a free market
147	18039		It is evident that the textile manufacturer has largely benefitted by the intervention of the State and the question is asked whether the manufacturer modified his profit making objective in favour of the worker ?
148	18039	18380	Throughout the inquiry workers who had just complained about their wages usually stated they were glad to have employment under present conditions
148	18040		Owing to the reduced purchasing power of the consumer the volume of sales and the sale price had to be reduced and contraction was applied most heavily on labour
148	18041		Contraction was imposed on labour by 1) reduction of employment 2) by lowering of wages 3) by the week of 3 24-hour days 4) by the redistribution of work 5) by the increasing of the task 6) by the renewal of the machinery
149	18041		Powerful and prosperous companies, which by reason of sound management and protection passed through the depression without weakening, should have paid higher wages than others in a less favoured position and should have carried more employees on their payrolls
149	18041		Employment was maintained with a certain degree of consistency but not as an objective or a return for the protection it enjoys





149 16041

Powerful firms paid about the same wages as less prosperous ones and companies with dividends and reserves paid the wages as those with deficits and cut wages to the same extent

150 16042

Mr. Beauregard suggests that the industry might have reached an agreement concerning a graduated scale of wages

150 16042

The industry failed to appreciate that as a return for the grant of further protection in 1930 it had the obligation of doing more than only giving such employment which it could not help giving



# STABILIZING THE STATE CONTROL

<u>PAGE IN</u> <u>FILE</u>	<u>PAGE IN BALLANTYNE KILDOCK'S</u> <u>ARISENT ARISENT</u>	<u>CONTROL</u>	<u>S U B J E C T</u>
151 L/L	16042		The employer is ready to resume progress but the worker hesitates to fall in line unless his situation is bettered
151	16042		The State representing all classes should aim at the stability of the industry and employment by conciliating the just claims of the workers with the stability of the industry
151	16043		Equilibrium may be restored by mutual concessions and legislative control and maintained by a stringent policy and detailed intervention
151	16043		Taking of inventory insures the maintenance and efficiency of the industry
152	16043		As it is the inquiry is an inventory of labour conditions and of the management of the industry
152	16044	16394	The more the State is asked to do, the more does its jurisdiction extend
152	16044		Industry asks the State to forego indirect taxation while the worker requests a wage consistent with the economic life of the country
152	16044		If the economic and social life are endangered, the State can throw in the stabilizing weight of its control
152	16044		Destructive competition maintains wages at a low level
152	16044		Responsibility when it does not rest with foreign competition lies with domestic competition resulting from the wage inequality between provinces, cities, towns and villages





- 152 16041 Collective bargaining on a general and compulsory basis was suggested by Rev. Cote as a means of creating a level below which wages could not fall
- 153 16043 Those who seemed more inclined to accept state control are the representatives of the silk industries of Montgomery and Louisville
- 154 16046 Mr. Rinz states in his evidence (p. 3048 et seq.) that the mill now employing 280 hands could very well be run with 100
- 154 16048 Mr. Rinz states the industry has a silent partner in the Government because it participates in the profit of the industry
- 154 16049 Mr. Rinz is of the opinion that the industry is killing the purchasing power of the consumer by giving too many units to one man
- 155 16050 Mr. Marx (Ibid. p. 4395) thinks trade unions should be handled by the Government and advocates control of labour generally by industries where wages could be uniform for every mill under government control
- 16051 Employers have no objections to increasing wages as long as they are increased evenly all along
- 156 16053 Mr. Marx states that they must at times resort to wage cuts to keep the cost price down to the level of the price of their competitors on similar types of goods
- 158 16055 Mr. Gordon fears the inefficiency of States representatives and appears unwilling to relinquish the 'market price' system
- 157 16055 Mr. Gordon (Ibid p. 4614) states in expressing his attitude towards collective bargaining they could not afford to have wage rates set that might be higher in one Province than in another



Stabilization and State Control - 3

- 157 16055 Mr. Gordon states (Evid. p. 4610) that he would have no objections to a Government staff capable of dealing with all the different conditions, take into consideration and weigh all the factors at each individual plant and determine piece-work rates
- 158 16056 Time has come for stabilization, the worker suggesting state control and the employer asking nothing but should control come he will accept it and adapt himself to it
- 16057 to 16064 The draft collective contract submitted by the Catholic Federation of Textile Workers to Mr. G. B. Gordon
- 16065 to 16067 The letter of Mr. G. B. Gordon to Mr. Cote in reply to his letter enclosing the draft collective contract states that the adoption of such a plan would be detrimental to the interests of the workers
- 16058-9 Mr. Gordon further states that this kind of agreement is valuable only in industries with a very small invested capital
- 16070-1 The only good of such a contract according to Mr. Gordon would be to maintain the statu quo based on the different factors in force at the time of its inception
- 16072 18256 The Commissioner states that for over 40 years in England wages have been arranged between workers and employers and these contracts are upheld by the Courts
- 16072 The Commissioner states that there is less complexity in England as the industry is confined to a small radius about Manchester and no disparity in the cost of living exists as in this country
- 16073 Mr. Gordon seems to have an erroneous conception of the collective contract
- 16074 Mr. Gordon seems to think that the industry would be tied up by the unification of labor but the shut-down of mills referred to by him was not due to trade unions but to the loss export markets





Stabilization and State Control - 4

- 16076 Mr. Gordon predicts great changes in the industry, but they are not in favour of the labourer
- 16077 Mr. Gordon's letter does not give a direct answer to the collective contract
- 16083 to  
16086 Letter of Mr. Gordon is read
- 16086 Mr. Gordon claims that a Syndicate would not be representative enough to deal with
- 16087 Mr. Gordon doubts if the claims made by the Federation submitting a collective contract would be satisfactory to all the members of the Federation - Being a collective contract, it would bind each individual
- 16088-9 Contrary to what Mr. Gordon thinks, workers are strictly obliged to adhere to the stipulations of the contract
- 16089 Employment in the textile industry is not made through contractors as in the lumber industry
- 16091-2 The notice published by Dominion Textile Co. in 'La Tribune' of Sherbrooke reveals the complete absence of satisfactory industrial relationship between employer and employee
- 16093-4 The letter of Mr. Gordon quotes Mr. Fessenden as being an expert in the matter of wages and conditions of work
- 16097 Mr. Gordon, following the discussion on his letter, declared he had received a request from Mr. Cote for an interview to discuss the matter



THE TASK

<u>AGE IN</u> <u>BRIEF</u>	<u>AGE IN</u> <u>ADVERSE</u>	<u>BALLANTYNE</u> <u>ADVERSE</u>	<u>KELLOCK'S</u> <u>REPLY</u>	<u>S</u> <u>Y</u> <u>U</u> <u>B</u> <u>J</u> <u>E</u> <u>C</u> <u>T</u>
159	16097			The evidence has shown that while asking for increased wages, the worker is very willing to work
159	16098			Because of the acceleration of production the study of the task was undertaken by the International Labour Conference
159	16098			The middle-sized industry is unwilling to adopt the 8-hour day and makes up for it by a 24-hour day divided into 3 shifts. The large-sized industry prefers the speed up of production and to forego the 10 and 12 hour day
159	16099			Scientific transformation which took place applied to mechanization, division of labour and increasing of the task
159	16099			The output under existing conditions varies from 75% to 98%
160	16100			In what proportion is the task too heavy cannot be determined generally, the distribution of tasks in a factory being mostly a question of experience
160	16100			The workers' evidence has proven that the employer tries to get the greatest possible output from the worker as well as from his machines
161	16101			Mr. Whitehead of the Wabasco Co. bluntly admitted (Evid. pp. 1156-1157) that changing the tasks meant getting more production out of the same number of workers
161-2	16202			Mr. Whitehead (Evid. p. 1371) alleges that as a result of the sub-division of work, a weaver to-day can handle 60 looms as easily as he could 6 in the past
162	16103			The weaver's task does not consist only of watching the looms operate, as may be gathered from Mr. Whitehead's evidence





- |     |         |  |
|-----|---------|--|
| 162 | 16103   | At page 38 of Ex. 1210 'Modern Weave Practice' the duties of a weaver are given  |
| 162 | 16104   | Stops and repairs number about 37 per hour per machine   |
| 163 | 16105   | Statement made by Mr. Fessenden shows that some workers are taxed beyond their strength  |
| 163 | 16105-6 | A similar statement is made concerning conditions of 13 female spinners working at the Hochelaga Mill  |
|     | 16106   | Mr. Ballantyne objects that Mr. Fessenden quotations should not be taken into consideration as on that particular day the mill was closed at 3 p.m. on account of the heat                         |
| 163 | 16107   | Mr. Fessenden considers that when idle time is in the neighbourhood of 16 or 17 per cent on either spinning or weaving the assignment cannot be termed a 'killing load'                            |
| 164 | 16107   | The industry tends to borrow from the U.S. a scientific method whereby the worker's output is increased but the market price is undisturbed  |
| 164 | 16108   | Mr. Presgrave of York Knitting Mills is quoted as saying that management have permitted the question to be settled by the law of supply and demand and unabated haggling goes on                   |
| 164 | 16108-9 | Mr. Presgrave's opinion as to the practice of certain employers paying their men on the basis of children is quoted from page 414 of Exhibit 1210  |
| 165 | 16111   | Mr. Fessenden quotes in his report the case of one foreman at Verdun who increased the load of doffers from 24 to 43 and upon finding the doffers could manage with that number increased it to 65 |
| 165 | 16112   | The wages did not increase proportionately they having enjoyed an increase following the Minimum Wage Act for Women  |



The Task - 3

- 165 16112 In the past there were periods of intense work followed by a let up, but nowadays keen competition and the cost of equipment permit no slackening of pace
- 165 16113 It has been found that tasks have not been scientifically adapted to the workers' capacity
- 165 16113 The inventors of the system admitted that the more intense the work the shorter should be its duration and spontaneously adopted the 8-hour day
- 166 16113 Remuneration was adapted to effort and productivity
- 166 16114 To cope with the abuses of work assignment England established the Industrial Fatigue Research Board and the National Institute of Industrial Psychology and Physiology and United States, the Cotton Textile Work Assignment Board
- 166





# HOUSE OF REPRESENTATIVES

LINE	PAGE IN ARGUMENT	HALLANTHE ARGUMENT	KELLOCK'S REBUTTAL	S	U	N	J	E	O	F
167	16115		The relations between employers and employees are the very essence of the labour problem							
167	16115		The fellowship and sympathy between the small employer and his employees becomes more difficult as the industry broadens							
167	16116		By ignoring the human element in the worker the employer loses his influence with the employee, his only hold over him being the wages							
167	16116		The employer has observed the worker from the stand point of productivity in order to measure his task and the wages he would pay him							
168	16116		The employer senses the value and importance of the human element as revealed at page 71 of the Manual of the Textile Industry under the title 'Textile Wealth'							
168	16117		All technical improvements and changes which relate as much to the worker are effected without consulting the workers							
168	16117		The worker needs a spokesman as he feels incapable of expressing himself							
168	16117	18257	So far the workers have been unorganized or such such organization has been so rudimentary that they have not been in a position to speak with one voice to the employer							
169	16117		The immediate objective of the newly-formed unions is the setting up of a wage-scale to be embodied in a tentative collective bargaining agreement							
169	16118		With some localities not showing the slightest trace of unions, and in others a very slow enrolment, taking place, Ontario has not fared better than Quebec in that respect							



Industrial Relations - 2

169	16118		The newly formed Federation has not yet approached the employers
170	16118		Contact with the employers is very difficult
170	16119	1637	The establishment of the Catholic Syndicate in Sherbrooke brought about the Dominion Textile Co., official statement published in 'La Tribune' showing its attitude towards labour unions (Ex.720)
171	16120		This declaration of Dominion Textile leaves the worker free to organize, discriminates between local and foreign organizations, allows the individual to state his grievances but closes the door to any organization spokesman
171	16120		The communication of this statement to the whole industry indicates the intention of having the same viewpoint adopted throughout the textile industry
171	16121		In his evidence (pp. 4603 et seq.) Mr. Gordon declared that their workers were free to join any organization but they refuse to treat with such organization
171	16122		Mr. Gordon claims that labour is the reason why the industry in England cannot reduce labour cost per unit
172	16124		Mr. Gordon would not treat with any associations like the U.F. W. of A. because they have no responsibilities in the long run
173	16125		The Board of Directors of Babasco refuse to recognize any union and will not have any agreement with them
173	16125		Courtaulds (Canada) Ltd. will not be led by unions
173	16125		Belling-Corticelli are not prepared to consider dealing with any organization as they would much prefer to deal with them as individuals
174	16126		Associated Textiles of Canada Ltd. is not prepared to deal with unions at the present time





Industrial Relations - 3

- 174 16187 A.L. King Co. alone recognizes the right of the workers to organize for their protection
- 174 16187 The whole industrial relations code of Canadian textile companies in 1936 can be summed up as follows: "We do not and shall never recognize any union of any kind"
- 174 16187 This refusal to speak, to discuss and come to an understanding through agents is a direct invitation to strike and violence
- 175 16188 Recent occurrences and settlements of strikes leave the workers under the impression that force and violence are more effective than conferences and co-operation
- 175 16188 England was one of the first to enact labour and social legislation and the history of Russia and Spain proved that concessions granted by England were better inspire than the attitude adopted in Russia and Spain



# THREE RIVERS STRIKE

<u>PAGE IN</u> <u>PRINT</u>	<u>PAGE IN</u> <u>ARCHIVE</u>	<u>HALLANTYNE</u> <u>ANALYSIS</u>	<u>KELLOCK'S</u> <u>REPORT</u>	<u>S</u> <u>U</u> <u>N</u> <u>I</u> <u>T</u>
176	16129		The February 1936 strike was in reality the continuation of the one in August 1935	
176	16129		The cessation of work in 1935 was the spontaneous action of a group of workers without the intervention of any unions or labour leader	
176	16129		The strike occurred because the employers had not granted or only partially granted a request for increased wages and a more equitable distribution of employment to the benefit of married men	
176	16129		The management claimed that on settlement of the strike workers were called in as rapidly as conditions warranted, but the workers charged that strangers had been given preference	
176	16129		Trouble began to stir at the end of November 1935, the time fixed for the complete performance of the agreement	
177	16129		The 1936 strike was decided upon by secret ballot and the mill authorities were informed by letter of the worker's claims	
177	16130		The Company refused to consider the document submitted and the strike broke out on the 18th of February and lasted until March 2nd, 1936	
177	16130		In the meantime, a section of the U.T.W.A. was hastily organized under the direction of Alzee Bastien	
	16130		Mr. Lajoie states that apparently unions do not progress in Three Rivers	



- 16130 Mr. La joie contends that the 1936 strike is not a continuation of the 1935 one, as revealed in the 'Nouvelliste' ,February, 1936, that the compromise not having had the results anticipated they were forced to maintain their actual strike
- 16131 Mr. Beauregard replies that the statement in 'The "Nouvelliste' was rebuked and an admission was made that the failure to observe the 1935 agreement caused the 1936 strike
- 177 16132 Conferences for the study of a plan of settlement between Municipal authorities and the Company's management were negative
- 177 16132 An arbitration plan suggested by conciliation offices of the Department of Labour was accepted by the workers but refused by the Company's directors
- 177 16132 The promise of inquiry by the Turgeon Commission in the near future caused the workers to return to work
- 177-8 16132 The evidence of Mr. Georges Henri Rotichon, Mayor of Three Rivers, (pp.795-6) reveals the proceedings following during the strike
- 178 16134 During conversations, the management refused to go beyond the Shop Committee an organization of 45 workers (3 representatives per Department) which had been set up as a result of the previous strike
- 178 16134 The strike produced no appreciable results except that it showed that a strike may break without union or organization and that unorganized workers get poor representation and that they need an agent





THE CORNWALL STRIKE

<u>PAGE IN</u> <u>BRIEF</u>	<u>PAGE IN</u> <u>AMERICAN</u>	<u>BAILLANTYNE</u> <u>AMERICAN</u>	<u>KELLOCK'S</u> <u>AMERICAN</u>	<u>S U B J E C T</u>
179	16135			Mr. Henry Johnson, President of Courtaulds (Canada) points out the difficulty which the individual worker finds in obtaining suitable representation
179	16136			Mr. Johnson found out right away what was wrong when he states (Evid. p. 9829) 'Their proposals were too ridiculous and amateurish'
180	16136			The unorganized worker lacks general ideas, he is unable to set his grievances in orderly fashion and his case is poorly represented
180	16137			In proving the worker incompetent to appear on his own behalf, Mr. Johnson is proving that it is necessary for the worker to have representatives
180	16137			Mr. Johnson admitted (Evid. p. 9834) there were differences between one department and another, but this was corrected by bringing them to the level which they are today
180	16137			Mr. Johnson is opposed to amateur unions, but not to unions conducted on the English System
180	16137			The first clause in the agreement stipulated that workers were not to belong to the union
181	16138			Mr. Johnson would welcome any union or scheme of trade unionism whether drawn up by employees or employers but not along the lines of the Cornwall union



The Cornwall Strike - 2

181 16139

Mr. Johnson further states that workers at Cornwall returned to work under infinitely better conditions

181 16139

Had the previous conditions been brought to the management's attention before the walkout they would have been remedied

182 16141

As a result of the strike the workers obtained redress of their main grievances, betterment of sanitary conditions and wage increases, and an object lesson worth all their other gains





INDUSTRIAL RELATIONS IN CANADA

<u>PAGE IN</u> <u>PRIN</u>	<u>PAGE IN</u> <u>AGREEMENT</u>	<u>BALLANTYNE</u> <u>ALBUQUERQUE</u>	<u>WILSON'S</u> <u>REBUTTAL</u>	<u>S</u> <u>U</u> <u>N</u> <u>I</u> <u>O</u> <u>N</u> <u>E</u> <u>S</u> <u>T</u>
183	16141		The organizer of the Paris workers was one James J. Granton, who acts without remuneration	
183	16141		There is a feeling among employees that it is dangerous to be a member of the union	
183	16142		J.J. Granton prepared and read before the Commission a specially prepared submission in which he states that citizens of small localities should be released from the dominating power of the industry established therein	
183	16142		He also claims that the workers should have the right to organize unions and that child labour should be abolished	
184	16143		He sees the 40-hour week with increased wages practicable and a means of solving the unemployment question to some extent	
184	16144		Alexander Welch, a member of the U.T.W. while employed at Jos. Simpson & Sons began organizing the workers in October 1935	
184	16144		He was dismissed for having a petition signed that work be eased off on account of the extreme heat	
184	16144		So far he has made little progress, recruits totalling 6 out of 550 employees	



THE DEPUTY MINISTER OF LABOUR - ONTARIO

AGE IN	AGE IN	BALLANTYNE	KELLOCK'S
BRIEF	ARGUMENT	ARGUMENT	REBUTTAL

M U E J E T

184	16144	The Ontario Deputy Minister, Mr. James F. Marsh is in charge of the administration and supervision of the Industrial Standards Act, 1936.
185	16144	That Act regulates the collective agreement between employers and workers
185	16145	In the case of non-union workers as in the bakery trade, the province of Ontario called together and organized the workers and the collective agreement was passed directly under the control of the province
185	16145	Mr. Marsh stated in his evidence that the establishment of schedules in 36 industries last year insured more satisfactory and stable relations
185	16146	Conferences could not be arranged for the purpose of drawing up schedules in the textile industry because the employees approached refused to take part in them
186	16147	In Ontario, as well as in Quebec, labour enactments are optional in character and based on agreements
186	16147	The relations between employer and employees will, in the matter of wages and other conditions, be no more fruitful in the years to come than they have been in the past, unless radical changes are made





# WORKING CONDITIONS - HYGIENE

PAGE IN  
 BRIEF ARGUMENT ARGUMENT REBUTTAL  
 BALLANTYNE MILLER'S

C O N T E N T S

187	16147	18165	The worker complains casually of the lack of hygiene but only to point out that his employers do not take sufficient thought of his well-being
187	16147		Better conditions should be brought about because the industry is prosperous and its workers recruited amongst people of both sexes and of all ages
187	16148		The International Labour Bureau has repeatedly suggested legislation to better conditions and has succeeded in most of the cotton centres
187	16148	18167	Dampness and heat are inherent to cotton but it should be prevented from becoming excessive
187	16148	18166	Dust is detrimental to health and mechanical ventilation should be resorted to insure air circulation
188	16148		Mechanical ventilation ought to be made compulsory
188	16148		There are sufficient water closets, but even in the cleanest ones the walls and floors are damp
188	16149		Rooms could be reserved and provided with wardrobes to obviate the practice of changing clothes behind machines and pillars
188	16149		While the industry requires workers that are healthful, alternate exposure to heat and cold brings illness
188	16149		An hygienist is a necessity and in very few instances if there one stationed at the mill





Working Conditions - Hygiene - 2

- 189 16150 The wearing of a uniform s could be made compulsory for women, especially and the cotton mills might bear the cost
- 189 16150 18170-1 Conditions under which workers are made to eat, hurriedly, standing or crowded in passage ways would not be imposed nor tolerated in detention homes and reformatories
- 187 16150 Expert advice ought to be sought by officials entrusted with the inspection of buildings where escaping fumes from acetate and viscose occur



$\Delta A_{\text{obs}} = \Delta A_{\text{cal}} + \Delta A_{\text{res}}$

AGE IN PAGE IN	BALLANTYNE KELLOCK'S	
DATE	REMARKS	
90	16151	This inquiry succeeded, before it came to an end, in arousing public opinion, which paves the way to legislation
90	16151	To the light that has been shed on financial structures, manufacturing processes, the number of workers, etc., the public has compared the situation of the employer with that of the wage earner
90	16151	The main features of the remedial measures submitted by the workers are embodied in the brief of the 'Federation des Syndicats Catholiques'
90	16152	The employer supplied all information from his correspondence, his annual statements, his customers, his bookkeepers, etc.
91	16152	The grievances voiced by the workers had already been told to the factory foreman and where the employer failed to improve matters it was because of his inability or unwillingness to do so
91	16152	The employer seeks nothing from the Commission except that it refrain from laying hands on the Ark of the Tariff
91	16152	The case of the employer was presented in a brief by Counsel and he acted through the medium of the more serious-minded press
91	16153	Public opinion suggested remedies generally predicated on the principle of distributive justice
91	16153	Already in some mills wages have been increased to pre-depression rates, in others dining rooms have been installed, and systems of insurance against illness and unemployment have been set up





Conclusion - 2

- 92 16153 The example and good effects of those measures should lead to their general adoption even in the absence of legislation
- 92 16153 Optimism in some quarters runs too high as regards the results of the Commission as it is not vested with legislative authority
- 92 16153 The subject matter of this inquiry is enormous since it reaches into the remotest corners of this vast industry



INCIDENTAL REFERENCES

INDEX IN MR.  
DOUGLASS'S  
APPENDIX

S U B J E C T

18163	Ex. No. 525, wages paid to weavers at Montreal Cottons Company
18167 & 18180	Humidity Record cards
18169-70	Incidence of Tuberculosis
18174-5	Operation of machinery during attendant's lunch hour
18184-5 18235	Cost of living
18186-7-8-9 18190-1-2-3	Pension funds, Insurance plans, etc.
18198-9	Gantt and Taylor systems vs. textile industry
18200-1	Operation of Gantt and Taylor systems
18215-6-7	Spinner and doffer co-operation
18220-1	Wages in England
18230-1-2	Wage differentials in Ontario and Quebec
18237	Doffer Employment
18247 et seq.	Application of Minimum Wage Act for Women in Dominion Textile Mills (Ex. 1366)
18259 et seq.	Wages and labour conditions in Dominion Textile Co.













ON IN  
BUTAL

S U B J E C T

- 18398 Mr. Beauregard is thankful for the delay granted in the absence of Mr. Monner by Counsel for the Industry. He states that he is going to deal with the question of industrial relations which is of vital importance at the present time.
- 18398 Counsel for the different firms and for the industry, in both their written and oral arguments, made practically no mention of it at all
- 18399 Dominion Textile Co. is the only firm which touched on the subject, but even there, the only form of organization the workers enjoy is a shop-committee.
- 18399 It is evident throughout that there is lack of contact between employers and employees
- 18399 In the case of Montmagny as well as of Sherbrooke, the strikes were actually sudden outbursts rather than the outcome of union activities and in both localities the workers became organized as a result of the strikes. Present day events indicate the danger which exists in the absence of industrial relations between employers and employees
- 18400 A Montreal newspaper, "Le Canada", quoted Mr. Ballantyne as saying to the Commissioner that the success of English textile unions was due to the fact that the industry was confined in one region, was centralized while in Canada the industry is spread over a wide territory
- 18401 Also, the Canadian workers are still undecided as to what union they should adhere to
- Mr. Ballantyne was further quoted as saying that none of the union leaders who appeared before the Commission had a full knowledge of the textile industry
- 18402 The Commissioner according to the newspaper had stated that apart from Rev. Cote, none of the leaders had made a very favourable impression on him
- Mr. Ballantyne is of the opinion that the above statements are either bad translation of the English Canadian Press item or are entirely false, and that correction thereof should be made without delay





- 18403 Mr. Beauregard states that, apparently, Dominion Textile Co. is the only firm which actually denies the necessity of industrial relations. Mr. Beauregard refers to an item printed in the "Welfare Plan for Canadian Companies", published by an industrial journal in Toronto, wherein it is said that Dominion Textile Co. owing to its fair treatment of its workers, had experienced no serious labour trouble since 1919
- 18404 Mr. Beauregard states that, as evidenced by the Minutes of the meetings of the company, the medical service, the pension system in force and the rental of cottages to workers, all is done without loss to the company, but on the contrary, with a profitable end in view
- 18405 Mr. Beauregard expressed the opinion that in view of the highly desirable good health of the workers employed in the industry, rooms should be provided where they could change work and street cloths, and that all companies accommodate their employees with dining rooms
- 18406 The Gazette of March 5th, 1937, states that the C.I.O., of which John L. Lewis is Chairman, is to join with the United Textile Workers of America and work in conjunction with it to better conditions in the textile industry at large. Plans have been drawn up to organize the workers
- 18408 The Gazette of March 15th, expressed the desire that any labour movement in Canada be led by men of Canadian mentality as the differences between U.S.A. and Canada, as regards economics, trade, etc., are extremely different and it is desirable that they should remain what they are
- 18409 Mr. Beauregard then refers to a letter addressed by Dominion Textile Co. to Albert Cote who had submitted a plan for a collective bargaining contract. Mr. Beauregard is of the opinion that the letter demonstrates the unwillingness of the Company to recognize the unification of its workers in order to facilitate relations with superintendents
- Mr. Beauregard states that the situation is serious and that the C.I.O. is considered menacing and ready to invade Canada
- 18416 Mr. Beauregard then reads the English translation of Mr. Cote's letter to Dominion Textile Co. The only union which Mr. Cote asks should be recognized is the "Syndicats Catholiques" and points out the danger of the workers enrolling in foreign organizations
- 18417 Mr. Cote's letter bears on the vital subject, i.e. what will the industry do as regards unions of what opposition will it make to them. The Company's answer indicates clearly that it resents the interference of a third party in its relations with its employees
- 18420 Mr. Beauregard states that the danger lies in the fact that members of the local unions, if they feel that no adequate support is being afforded their own organizations will turn to foreign organizations which are more powerful and can thus afford more protection





- 19420 It is high time that the textile industry listens to its workers' plight
- 18423 The reverse is actually taking place in England - the need of union organization is stressed and the Department of Labour requests that all workers be organized and the friendly agreements which now exist between employers and employees are attributable to unionism
- 18424 As set out in the Book "Industrial Relations in Great Britain", by Prof. J.H. Richardson, of Leeds University, syndicates in the cotton and spinning industry deal directly with employers without consulting foremen and superintendents, thus contact between employees and employers is direct
- 18426 The English unions so far have been mostly concerned with rates of wages, hours of work and other conditions of work
- It is so evident that mechanization causes unemployment that Prof. Richardson did not go to the trouble of demonstrating it.
- 18432 The Government in Great Britain intervenes in the questions of salaries through Boards of Trade, which were authorized by law in 1909 to organize Councils to fix minimum wages.
- 18432 Prof. Richardson is of the opinion that the employers have complied quite readily with labour laws
- 18438 The social services are furnished to workers at no cost or at minimum charge, but at the expense of several thousand pounds yearly to the firms
- 18439 Prof. Richardson concludes by pointing out that an analysis of industrial relations in Great Britain over the past 20 or 30 years reveals the numerous changes that have taken place, such that under identical economic conditions some industries have remained unperturbed while others have known unrest and strikes
- 18443 After the 1926 troubles, the unprotected industries realized that time had come where arrangements must be made to avoid conflicts of the disastrous nature as those which had just taken place
- 18445 The creation of large national organizations of employees and employers had led to the establishment of a powerful negotiating machine whose ramifications cover the whole country
- 18447 Still, there is room for improvement, in the operation of individual negotiating bodies, and the good-will and co-operation of both worker and employer are highly desirable in order to render this negotiating mechanism efficient





18448

Old problems are actually faced with relative easiness, but the new industrial evolution has caused new problems to be met and one of the most vital of them all is the mechanization and relations between industry and finance

18452

The industry has not given a satisfactory reply to the Government's wish to know to what degree the employer must reasonably upkeep employment in time of temporary difficulty

In very few cases where employment was continued during depression periods, there were losses on the part of companies

18455

Dominion Textile Co., which according to their factum represents 70 to 72% of the total cotton industry in Quebec was "in the red" one year for about \$13,000, and is the one company to shut down one of its plants.

Mr. Beauregard deals with Exhibit 1363, Schedule No. 3, and Mr. Ballantyne objects that Dominion Textile Company has given all that it was possible to give in working hours

18463

The Order in Council refers to a "period of temporary difficulty". While there has been no difficulty in 1936 and the industries were on the recovery road, the government is still paying millions in relief funds and unprotected industries are still in a serious position

An industry protected so extensively as is the textile industry has an obligation to carry on operations with due regard to employees and to the public

18466

As the market for each branch of the industries varies greatly, it is quite impossible to deal with the question as a whole - The wool companies which were the most hard-hit and managed to realize a few profits, while cotton companies who control an unlimited capital closed down mills without absorbing the least little loss

18467

As the industry made no direct answer to the question of how far its obligation to upkeep employment ranged in time of temporary difficulty, the worker is at liberty to interpret this as an admission that the duty of the industry is to provide employment even at a loss





18869

The protection afforded the industry yearly is a very heavy cost to the Canadian Government

18870

According to paragraph 2 of Section A of the Factum of the industry, the value of the reduction for the year 1934 was \$190,000,000, but of that sum approximately \$75,000,000 was used to purchase raw materials from foreign countries, and while \$48,000,000 were being paid in wages to the workers, the very same amount also was paid to the administration

18872

The difference in wages as between the Japanese employee and the Canadian employee requires a great deal of protection, but the cost of this protection, which amounts to 75 to 80% is borne by the consumers

18876

The greater reductions in wages took place in the carpet section, although the wages never reached the low levels of other sections. Wages have fallen from \$29.18 a week to \$18.82 for male workers and from \$16.43 to \$12.42 for female workers

18878

The cotton section has always been considered a low-paid industry. Since the 1935 amendment to the Minimum Wage Law in the province of Quebec, serious efforts are being made to comply with its requirements, although there is still room for improvement

The Ontario and Quebec legislations do not allow wages of less than 12.5¢ an hour to be paid.

The Quebec Minimum Wage Law divides the female workers in the following categories: -

10% of the female workers must earn 12.5¢ to 16.9 ¢ per hour  
25% of the female workers must earn 17.0¢ to 20.9¢ per hour  
65% of the female workers must earn 21¢ and over per hour

18879

18880

The following figures show the degree of observance of the law -

	MONTREAL		WABANCO		TRENT	
	COTTONS LTD		COTTON CO.		COTTON CO.	
	Male	Female	Male	Female	Male	Female
Less than 12.5¢	.7	-	.2	.3	-	-
12.5¢ to 16.9¢	5.3	9.7	9.2	21.7	-	3.9
17.0¢ to 20.9¢	18.3	27.7	22.1	12.3	13.4	49.0
21¢ and over	75.7	62.6	68.5	65.5	86.6	47.1





	QUEBEC		ONTARIO	
	Male	Female	Male	Female
Less than 12.5¢	.3	.1	-	-
12.5¢ to 16.9¢	8.6	9.2	1.7	0.9
17.0¢ to 20.9¢	16.1	19.7	4.4	5.6
21¢ and over	75.0	71.0	93.9	93.5

18882

In the Silk section the situation is as follows:

	QUEBEC		ONTARIO	
	Male	Female	Male	Female
Less than 12.5¢	9.1	2.7	.5	-
12.5¢ to 16.9¢	15.3	17.3	4.3	1.5
17.0¢ to 20.9¢	14.9	23.3	6.4	5.9
21¢ and over	60.7	54.7	88.8	92.6

18883

Binz Co. and Associated Textiles of Canada Ltd., although it has been proved that both concerns are very prosperous are the firms with the lowest paid employees

	ASSOCIATED TEXTILES CO.		BINZ CO.	
	Male	Female	Male	Female
Less than 12.5¢	6.8	10.4	42.1	6.2
12.5 to 16.9¢	12.8	37.1	19.0	6.3
17.0 to 20.9¢	15.3	29.6	13.6	26.6
21¢ and over	65.1	22.9	25.3	60.9

18885

The average wage for female workers at Associated Textiles Ltd. is 17.3 ¢ per hour whereas it should be 21.4¢ according to the law. During the fortnight in February, there were 27.7% of the male workers earning less than \$10 weekly and 24.2 of the female workers earnings less than \$6 weekly

These infringements to the law had been tolerated by the local inspectors, but since 1935 amendments this no longer comes under the jurisdiction of the inspectors

18886

In considering wages, regard must be had to the age of workers, as it is evidenced by Ex. 1335 that although the industry claims that the work is suitable for schoolgirls, it is actually being performed by adults.

Exhibit 1335 gives a distribution of employees according to ages -

MALES	ALL INDUSTRIES	KNIT			
		COTTON	COARSE	SILK	WOOLLEN
Less than 20 years	7.23	21.0	18.8	18.3	13.5
Less than 44 years	71.0	76.7	82.0	87.0	69.0
<u>FEMALES</u>					
Less than 18 years	11.8	18.3	12.6	20.2	16.7
Less than 34 years	80.8	89.3	85.0	94.0	83.0













